

**Department of Social Services
MO HealthNet Division**

**Fiscal Year 2019 Budget Request
Book 6 of 6**

Steve Corsi, Psy.D., Acting Director

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Nursing Facilities

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Nursing Facilities

Budget Unit: 90549C

HB Section: 11.470

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | |
|------------------------|-------------|-------------|------------|-------------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | 5,375 | 5,375 | | | |
| PSD | 134,375,228 | 378,471,553 | 65,527,432 | 578,374,213 | |
| TRF | | | | | |
| Total | 134,375,228 | 378,471,553 | 65,527,432 | 578,374,213 | |

FTE 0.00

| | | | | |
|---------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation. | | | | |

Other Funds: Uncompensated Care Fund (UCF) (0108)
Healthy Families Trust Fund (HFTF) (0625)
Third Party Liability Collections Fund (TPL) (0120)
Nursing Facility Reimbursement Allowance (NFRA) (0196)

| FY 2019 Governor's Recommendation | | | | | |
|-----------------------------------|----|---------|-------|-------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | | | | | |
| TRF | | | | | |
| Total | | | | 0 | |

FTE 0.00

| | | | | |
|---------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation. | | | | |

Other Funds

2. CORE DESCRIPTION

This core is for ongoing funding of payments for nursing facility services provided to MO HealthNet participants.

3. PROGRAM LISTING (list programs included in this core funding)

Nursing Facilities

CORE DECISION ITEM

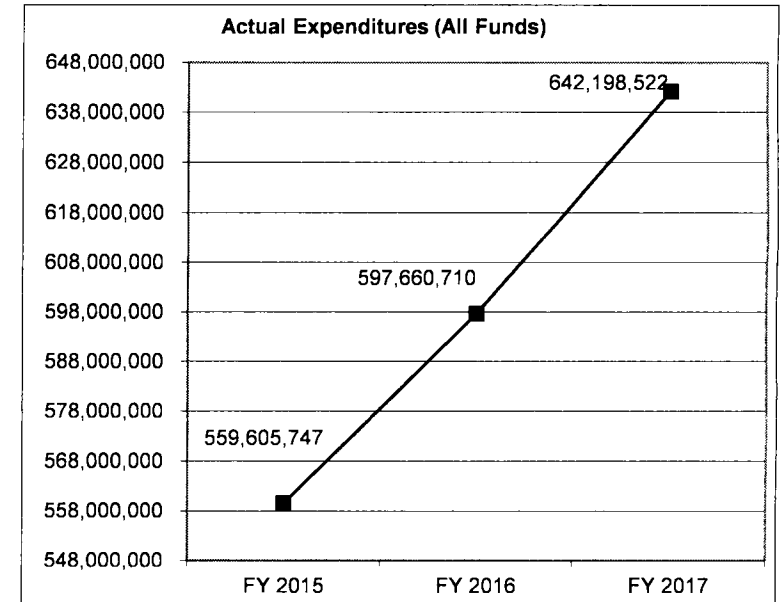
Department: Social Services
Division: MO HealthNet
Core: Nursing Facilities

Budget Unit: 90549C

HB Section: 11.470

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds) | 559,605,747 | 611,932,979 | 645,145,957 | 589,457,054 |
| Less Reverted (All Funds) | 0 | 0 | 0 | 0 |
| Less Restricted (All Funds) | 0 | (3,373,442) | 0 | 0 |
| Budget Authority (All Funds) | 559,605,747 | 608,559,537 | 645,145,957 | 589,457,054 |
| Actual Expenditures (All Funds) | 559,605,747 | 597,660,710 | 642,198,522 | N/A |
| Unexpended (All Funds) | 0 | 10,898,827 | 2,947,435 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 0 | 3,545,477 | 1,837,934 | N/A |
| Federal | 0 | 10,708,819 | 1,109,501 | N/A |
| Other | 0 | 17,973 | 0 | N/A |
| | (1) | (2) | (3) | |



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) Expenditures of \$11,510,220 were paid for Home and Community Based Services.

(2) Expenditures of \$685,453 were paid for Home and Community Based Services and \$82,496 were paid for State Medical Services.

(3) Expenditures of \$4,940,206 were paid for Home and Community Based Services.

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Nursing Facilities

Budget Unit: 90549C

HB Section: 11.470

Cost Per Eligible - Per Member Per Month (PMPM)

| | <i>Nursing Facility PMPM*</i> | <i>Acute Care PMPM</i> | <i>Total PMPM</i> | <i>Nursing Facility Percentage of Acute</i> | <i>Nursing Facility Percentage of Total</i> |
|-------------------|-------------------------------|------------------------|-------------------|---------------------------------------------|---------------------------------------------|
| PTD | \$184.76 | \$1,127.90 | \$2,188.07 | 16.38% | 8.44% |
| Seniors | \$832.67 | \$406.24 | \$1,679.11 | 204.97% | 49.59% |
| Custodial Parents | \$0.57 | \$476.89 | \$515.48 | 0.12% | 0.11% |
| Children* | \$0.01 | \$266.90 | \$297.35 | 0.00% | 0.00% |
| Pregnant Women | \$0.02 | \$899.91 | \$916.46 | 0.00% | 0.00% |

Source: Table 23 Medical Statistics for Fiscal Year 2017 (claims paid data). Add-on payments funded from FRA provider tax not included.

* CHIP eligibles not included

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

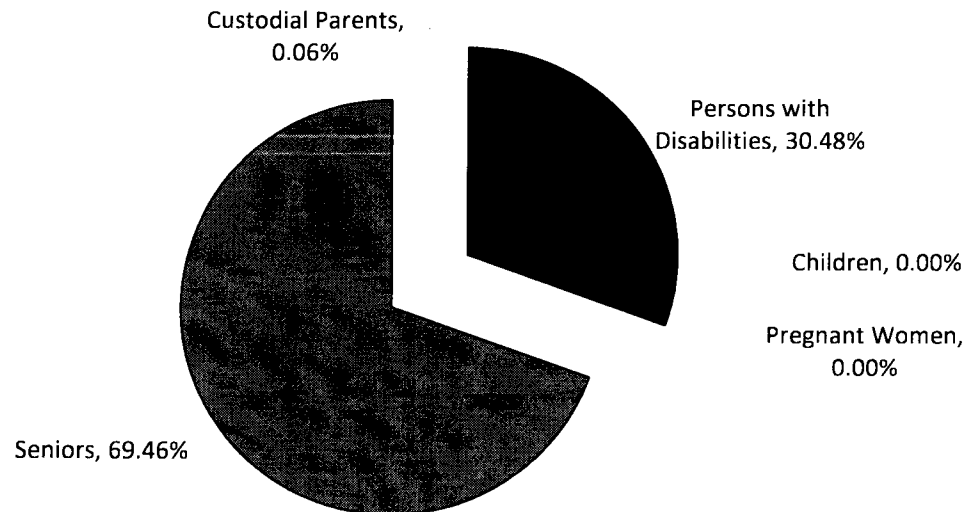
PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for nursing facilities, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the nursing facility PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for nursing facilities. It provides a snapshot of what eligibility groups are receiving nursing facility services as well as the populations impacted by program changes.

Nursing Facility Spending by Large Eligibility Group



Source: Table 23 Medical Statistics for Fiscal Year 2017 (claims paid data).

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES NURSING FACILITIES

5. CORE RECONCILIATION DETAIL

| | | | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-----------|--|-----------------|-------------|--------------------|--------------------|---------------------|---------------------|------------------------------------------------------------------------------|
| TAFP AFTER VETOES | | | | | | | | | |
| | | | PD | 0.00 | 134,380,603 | 378,476,928 | 76,599,523 | 589,457,054 | |
| | | | Total | 0.00 | 134,380,603 | 378,476,928 | 76,599,523 | 589,457,054 | |
| DEPARTMENT CORE ADJUSTMENTS | | | | | | | | | |
| Core Reduction | 1660 8511 | | PD | 0.00 | 0 | 0 | (11,072,091) | (11,072,091) | Core reduction of SR Svs Prot Fund |
| Core Reallocation | 484 6472 | | EE | 0.00 | 5,375 | 0 | 0 | 5,375 | Core reallocations will more closely align budget with planned expenditures. |
| Core Reallocation | 484 6473 | | EE | 0.00 | 0 | 5,375 | 0 | 5,375 | Core reallocations will more closely align budget with planned expenditures. |
| Core Reallocation | 484 6472 | | PD | 0.00 | (5,375) | 0 | 0 | (5,375) | Core reallocations will more closely align budget with planned expenditures. |
| Core Reallocation | 484 6473 | | PD | 0.00 | 0 | (5,375) | 0 | (5,375) | Core reallocations will more closely align budget with planned expenditures. |
| NET DEPARTMENT CHANGES | | | | 0.00 | 0 | 0 | (11,072,091) | (11,072,091) | |
| DEPARTMENT CORE REQUEST | | | | | | | | | |
| | | | EE | 0.00 | 5,375 | 5,375 | 0 | 10,750 | |
| | | | PD | 0.00 | 134,375,228 | 378,471,553 | 65,527,432 | 578,374,213 | |
| | | | Total | 0.00 | 134,380,603 | 378,476,928 | 65,527,432 | 578,384,963 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | | | |
| | | | EE | 0.00 | 5,375 | 5,375 | 0 | 10,750 | |

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
NURSING FACILITIES**

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-------------------------|-------------|--------------------|--------------------|-------------------|--------------------|--------------------|
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | PD | 0.00 | 134,375,228 | 378,471,553 | 65,527,432 | 578,374,213 | |
| | Total | 0.00 | 134,380,603 | 378,476,928 | 65,527,432 | 578,384,963 | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|---------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|------------|-------------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| NURSING FACILITIES | | | | | | | | |
| CORE | | | | | | | | |
| EXPENSE & EQUIPMENT | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 5,375 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 5,375 | 0.00 | 0 | 0.00 |
| TOTAL - EE | 0 | 0.00 | 0 | 0.00 | 10,750 | 0.00 | 0 | 0.00 |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 157,997,618 | 0.00 | 134,380,603 | 0.00 | 134,375,228 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 404,500,653 | 0.00 | 378,476,928 | 0.00 | 378,471,553 | 0.00 | 0 | 0.00 |
| UNCOMPENSATED CARE FUND | 58,516,478 | 0.00 | 58,516,478 | 0.00 | 58,516,478 | 0.00 | 0 | 0.00 |
| THIRD PARTY LIABILITY COLLECT | 6,992,981 | 0.00 | 6,992,981 | 0.00 | 6,992,981 | 0.00 | 0 | 0.00 |
| NURSING FACILITY FED REIM ALLW | 9,134,756 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| MO SENIOR SRVC PROTECTION FUND | 0 | 0.00 | 11,072,091 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| HEALTHY FAMILIES TRUST | 5,056,036 | 0.00 | 17,973 | 0.00 | 17,973 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 642,198,522 | 0.00 | 589,457,054 | 0.00 | 578,374,213 | 0.00 | 0 | 0.00 |
| TOTAL | 642,198,522 | 0.00 | 589,457,054 | 0.00 | 578,384,963 | 0.00 | 0 | 0.00 |
| MHD COST TO CONTINUE - 1886001 | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 7,072,488 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 7,072,488 | 0.00 | 0 | 0.00 |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 7,072,488 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$642,198,522 | 0.00 | \$589,457,054 | 0.00 | \$585,457,451 | 0.00 | \$0 | 0.00 |

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im_disummary

FLEXIBILITY REQUEST FORM

| | |
|-----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| BUDGET UNIT NUMBER: 90549C BUDGET UNIT NAME: Nursing Facilities HOUSE BILL SECTION: 11.470 | DEPARTMENT: Social Services DIVISION: MO HealthNet |
|-----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

Department Request

| | | |
|----------------|---------------|--------------------|
| Total | % Flex | Flex Amount |
| \$ 585,457,451 | 10% | \$ 58,545,745 |

Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.505, 11.510, 11.555, 11.560, and 11.600.

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

| PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED | CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED | BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED |
|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|
| None | HB11 language allows up to 10% flexibility between 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.510, 11.555, and 11.600 | 10% flexibility is being requested for FY19 |

3. Please explain how flexibility was used in the prior and/or current years.

| PRIOR YEAR EXPLAIN ACTUAL USE | CURRENT YEAR EXPLAIN PLANNED USE |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| N/A | Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program. |

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|---------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|------------|-------------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| NURSING FACILITIES | | | | | | | | |
| CORE | | | | | | | | |
| PROFESSIONAL SERVICES | 0 | 0.00 | 0 | 0.00 | 10,750 | 0.00 | 0 | 0.00 |
| TOTAL - EE | 0 | 0.00 | 0 | 0.00 | 10,750 | 0.00 | 0 | 0.00 |
| PROGRAM DISTRIBUTIONS | 642,198,522 | 0.00 | 589,457,054 | 0.00 | 578,374,213 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 642,198,522 | 0.00 | 589,457,054 | 0.00 | 578,374,213 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$642,198,522 | 0.00 | \$589,457,054 | 0.00 | \$578,384,963 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$157,997,618 | 0.00 | \$134,380,603 | 0.00 | \$134,380,603 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$404,500,653 | 0.00 | \$378,476,928 | 0.00 | \$378,476,928 | 0.00 | | 0.00 |
| OTHER FUNDS | \$79,700,251 | 0.00 | \$76,599,523 | 0.00 | \$65,527,432 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.470

Program Name: Nursing Facilities

Program is found in the following core budget(s): Nursing Facilities

| |
|---------------------------------------------------------------|
| 1a. What strategic priority does this program address? |
|---------------------------------------------------------------|

Maintain quality nursing care

| |
|---------------------------------------|
| 1b. What does this program do? |
|---------------------------------------|

Program Description

This program provides long-term institutional care for MO HealthNet participants in skilled nursing facilities and intermediate care facilities.

Program Statistics

An average of 505 nursing facilities were enrolled in the MO HealthNet program in SFY 17 with an average of 24,349 participants utilizing this service per month. While nursing facility users represent 2.40% of the total MO HealthNet participants, the nursing facility program comprises almost 12.91% of the total Medicaid program dollars. The statewide occupancy rate of nursing facilities receiving MO HealthNet reimbursement is 72.2% (calendar year 2016).

Program Goals

To promote quality of care to MO HealthNet participants in nursing facilities.

Program Objectives

Provide reasonable reimbursement for nursing facility services to ensure an adequate supply of providers.

To create a safe, sustainable, healthy, and cost effective health care environment for the treatment and residential aspects of MO HealthNet participants in nursing facilities.

Reimbursement Methodology

Payment is based on a per diem rate established for each nursing facility by the Institutional Reimbursement Unit (IRU) of the MO HealthNet Division. A portion of the per diem rate is paid from both the nursing facilities budget section and the Nursing Facility Reimbursement Allowance (NFRA) budget section.

Nursing facilities are reimbursed prospectively. When the rate is established on a particular cost report year, it will not change until the rates are rebased on another cost report year. Nursing facility rates were last rebased in SFY 2005 using 2001 cost report data trended to 2005. This rate may be adjusted for global per diem rate adjustments, such as trends, which are granted to the industry as a whole and are applied to the previously established rate. The nursing facility per diem calculation is based on the following components:

- Patient care,
- Ancillary services,
- Administration,
- Capital expenses,
- Working capital allowance,
- Incentives, and
- NFRA rate (*see below for additional per diem calculation details*).

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.470

Program Name: Nursing Facilities

Program is found in the following core budget(s): Nursing Facilities

Providers are reimbursed for MO HealthNet participants based on the residents' days of care multiplied by the facility's Title XIX per diem rate, less any patient surplus amount (*see below for patient surplus calculation details*).

Effective April 1, 2010, MHD does not automatically reimburse the coinsurance or cost sharing amount determined by Medicare or the Medicare Advantage Plan for inpatient nursing facility services. MHD now determines the MO HealthNet reimbursement for the coinsurance or cost sharing amount of crossover claims which is limited to fee-for-service amount that would be paid by MHD for those services.

Rate History

Rate adjustments are funded with GR and NFRA. Following are the recent GR funded rate adjustments. See NFRA for NFRA-funded rate increases.

FY18 (\$5.37) GR (Rate Decrease)

FY17 \$4.92 GR (Continued the FY 16 rate increase with GR and granted an additional \$2.83 GR for a new FY 17 rate increase)

FY16 \$2.09 Tax Amnesty Fund (January 2016-June 2016)

FY14 \$3.72 GR

Additional Details

Patient Surplus Calculation

The amount of money the MO HealthNet participant contributes to his or her own nursing home care is called patient surplus. The patient surplus is based upon the participant's income and expenses. The nursing home provider is responsible for obtaining the patient surplus from the participant.

The amount of the patient surplus is calculated by the Family Support Division. The gross income (usually a Social Security benefit check) of the participant is adjusted for the personal needs allowance, an allotment of money allocated for use by the community spouse or dependent children and medical deductions (Medicare premiums or private medical insurance premiums that the participant pays for his own medical coverage). The remainder is the patient surplus. The participant and the nursing facility are notified of the amount of the patient surplus by the Family Support Division.

Effective January 1, 2015, the personal needs allowance increased to \$50.00, the maximum amount authorized in state statute (Section 208.016, RSMo).

Per Diem Rate Calculation

The nursing facility per diem rate calculation is based on a cost component system. The cost components are patient care, ancillary, administration and capital. A working capital allowance, incentives and the NFRA rate are also elements of the total reimbursement rate. MHD encourages spending for direct patient care expenditures by utilizing a reimbursement methodology that allows for higher reimbursement of patient care costs while limiting administration and capital costs.

- Patient care includes medical supplies, nursing, supplies, activities, social services and dietary costs. The patient care ceiling is 120% of the median for the patient care cost center.
- Ancillary services include therapies, barber and beauty shop services, laundry, and housekeeping. The ancillary ceiling is 120% of the median for the ancillary cost center.
- Administration includes plant operation costs and administrative costs. The administration ceiling is 110% of the median for the administration cost center. See *below for additional limitations on administrative costs*.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.470

Program Name: Nursing Facilities

Program is found in the following core budget(s): Nursing Facilities

- Capital costs are reimbursed through a fair rental value methodology and include rental value, return, computed interest, borrowing costs, and pass-through expenses (property insurance, real estate taxes, and personal property taxes). The pass-through expenses are the only part of the capital component that is trended. *See below for additional limitations on capital costs.*

The working capital allowance per diem rate is equal to 1.1 months of the total of the facility's per diem rates for the patient care, ancillary services, and administration cost components multiplied by the prime rate plus 2%.

Incentives are paid to qualified facilities to encourage patient care expenditures and cost efficiencies in administration:

- The patient care incentive is 10% of a facility's patient care per diem up to a maximum of 130% of the patient care median.
- The ancillary incentive is paid to all facilities whose costs are below the ancillary ceiling. The amount is one-half of the difference between certain parameters.
- The multiple component incentive is allowed for facilities whose patient care and ancillary per diem rate are between 60 - 80% of total per diem rate.
- An additional amount is allowed for facilities with high MO HealthNet utilization.
- The current NFRA rate is also included in the total reimbursement rate since it is an allowable MO HealthNet cost.

Limitations on Administration & Capital Costs:

- Minimum Utilization of 85% is applied to Administration and Capital
- Owners' Compensation is limited based on the total number of beds owned and whether the owner is part of a home office or an administrator
- Home office costs are limited to 7% of gross revenues less contractual allowance
- Related party transactions are limited to the cost incurred by the related party
- Fair rental value calculation is used to determine the capital cost component which limits excessive real estate costs

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153, 208.159; 208.201 Federal law: Social Security Act Section 1905(a)(4); Federal regulations: 42CFR 440.40 and 440.210

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY 18 is a blended 64.260% federal match. The state matching requirement is 35.740%.

4. Is this a federally mandated program? If yes, please explain.

Yes, for people over age 21.

PROGRAM DESCRIPTION

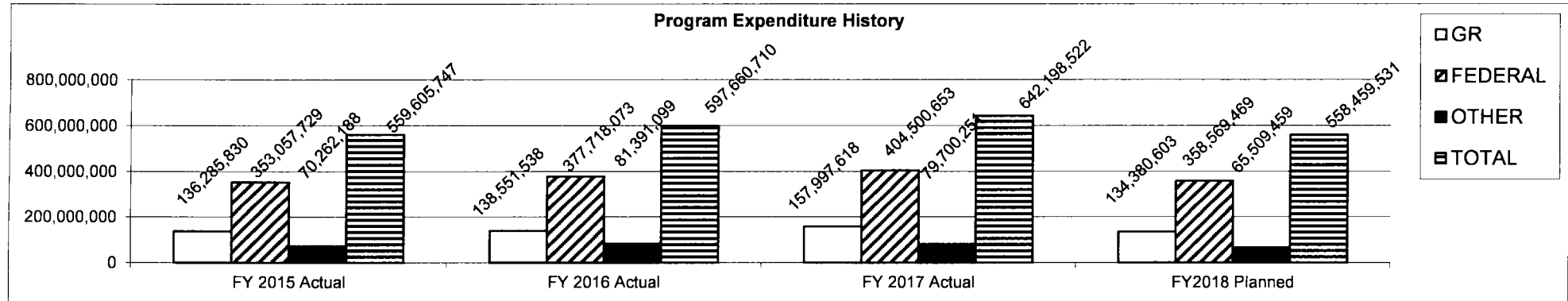
Department: Social Services

HB Section: 11.470

Program Name: Nursing Facilities

Program is found in the following core budget(s): Nursing Facilities

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



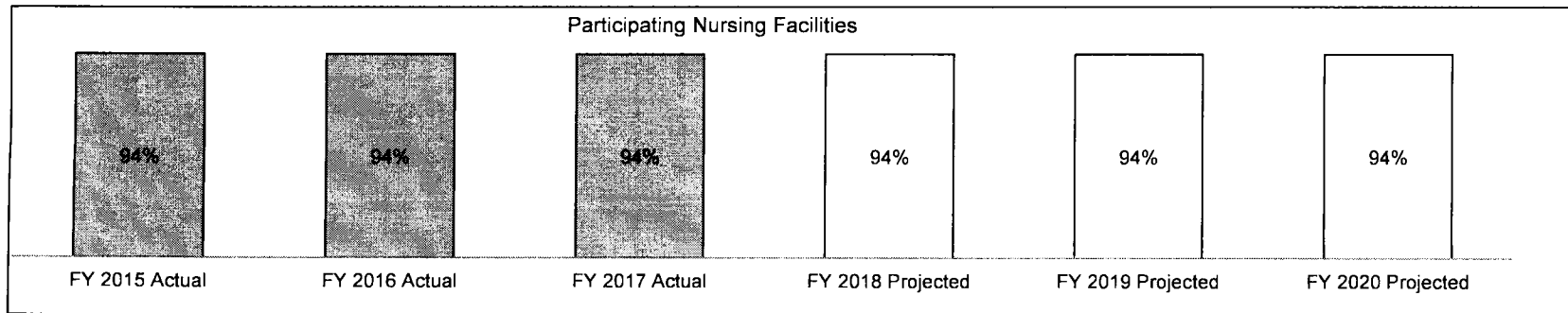
FY 2018 planned are net of reserve.

6. What are the sources of the "Other " funds?

Uncompensated Care Fund (0108), Third Party Liability Collections Fund (0120), Healthy Families Trust Fund (0625), Missouri Senior Services Protection Fund (0421), and Nursing Facilities Federal Reimbursement Allowance Fund (0196)

7a. Provide an effectiveness measure.

Provide reimbursement that is sufficient to ensure nursing facilities enroll in the MO HealthNet program. During the past three state fiscal years, over 94% of licensed nursing facilities in the state participated in the MO HealthNet program.



PROGRAM DESCRIPTION

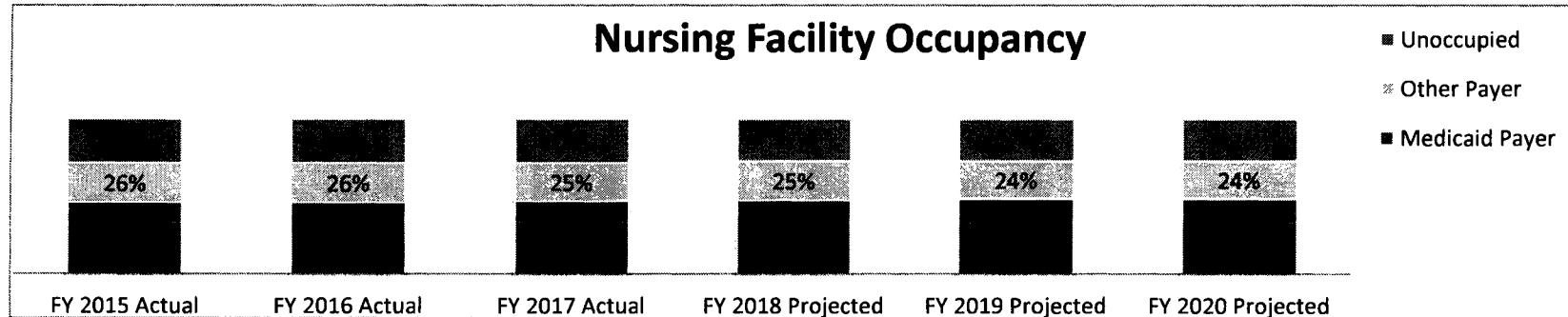
Department: Social Services

HB Section: 11.470

Program Name: Nursing Facilities

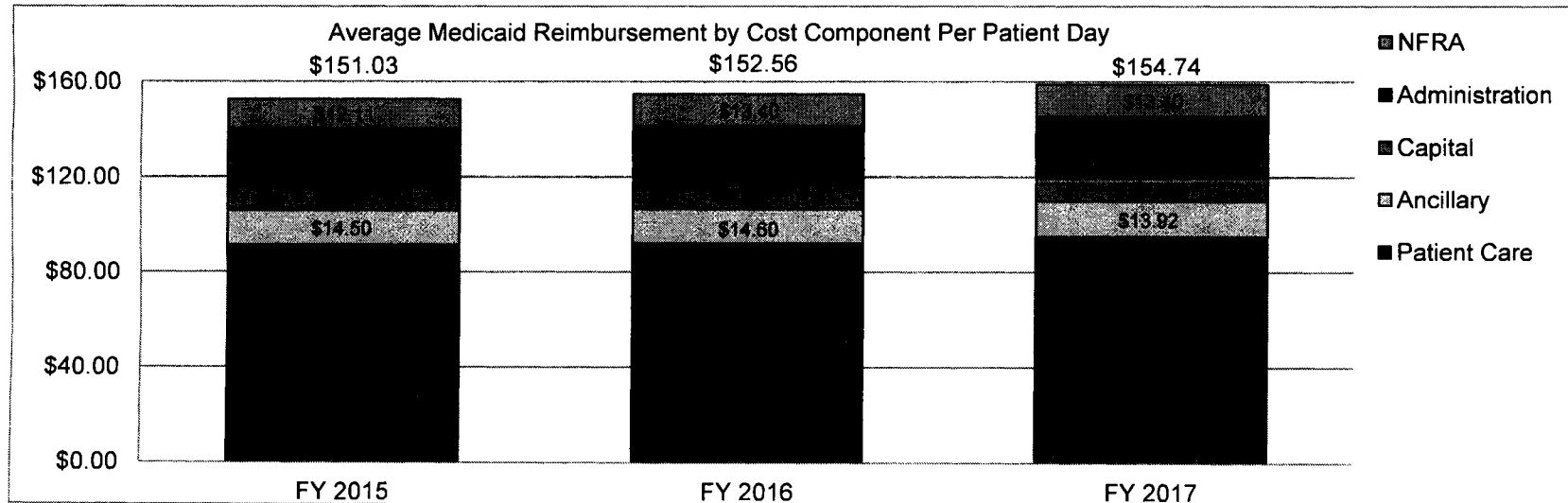
Program is found in the following core budget(s): Nursing Facilities

Provide adequate reimbursement to ensure MO HealthNet participants have sufficient access to care. In the past three state fiscal years, at least 28% of nursing facility beds were unoccupied. There are a sufficient number of beds available to care for MO HealthNet participants.



7b. Provide an efficiency measure.

Target and encourage quality patient care through the nursing facility reimbursement methodology. In the past three state fiscal years, more than 50% of the average Medicaid reimbursement rate is related to patient care.



PROGRAM DESCRIPTION

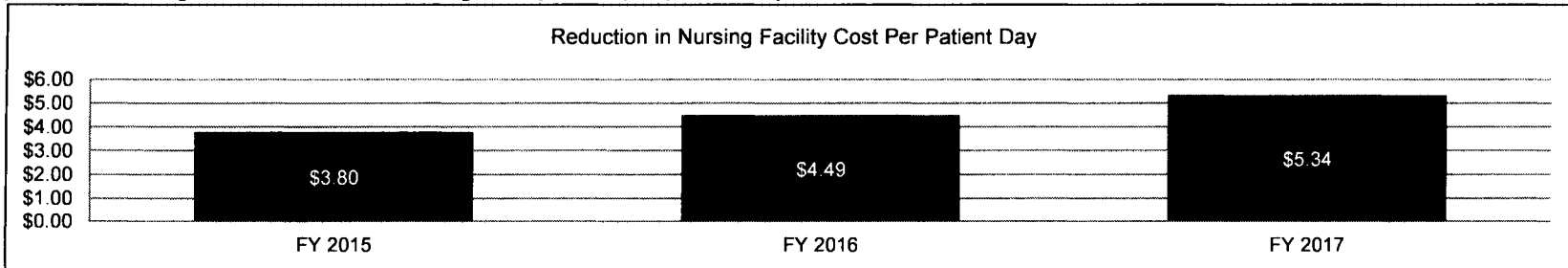
Department: Social Services

HB Section: 11.470

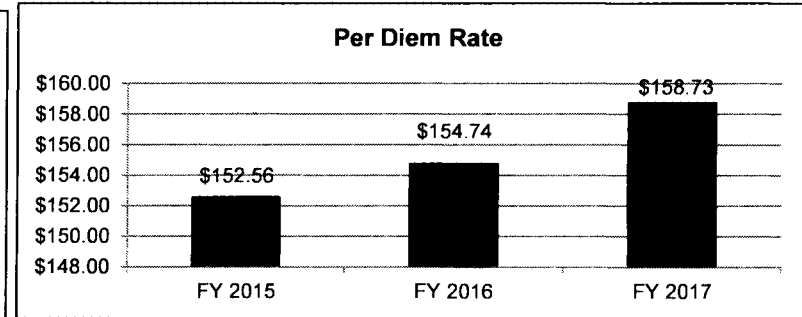
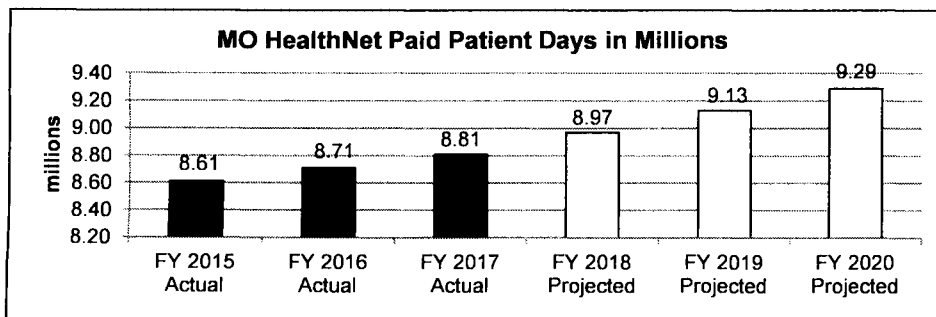
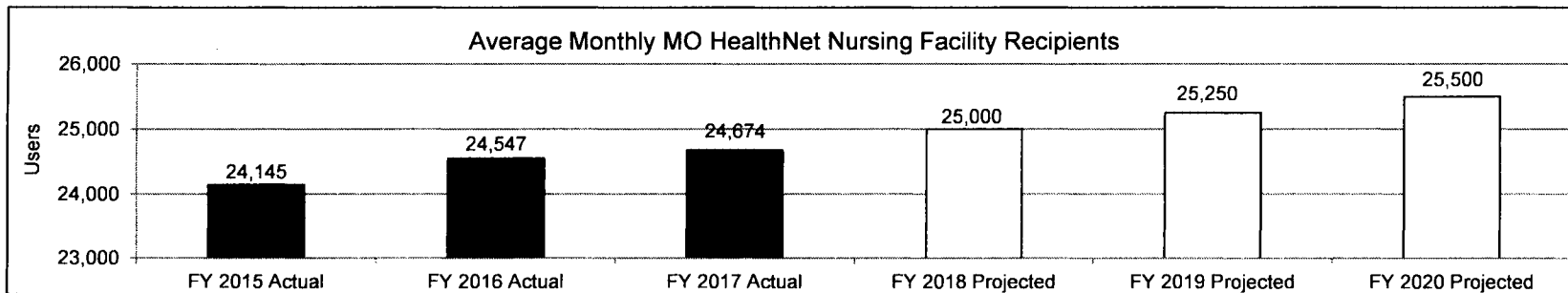
Program Name: Nursing Facilities

Program is found in the following core budget(s): Nursing Facilities

Ensure nursing facility costs included in determining MO HealthNet reimbursement are allowable by performing audits of the provider's cost reports. During the past three state fiscal years, an average of over \$4.54 of nursing facility costs per patient day were disallowed as a result of MHD reviews.



7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

Home Health

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Home Health

Budget Unit: 90564C

HB Section: 11.470

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | FY 2019 Governor's Recommendation | | | | | | |
|------------------------|-----------|-----------|---------|-----------|-----------------------------------|-------|----|---------|-------|-------|---|
| | GR | Federal | Other | Total | E | | GR | Federal | Other | Total | E |
| PS | | | | | | PS | | | | | |
| EE | | | | | | EE | | | | | |
| PSD | 1,836,459 | 3,603,380 | 159,305 | 5,599,144 | | PSD | | | | 0 | |
| TRF | | | | | | TRF | | | | | |
| Total | 1,836,459 | 3,603,380 | 159,305 | 5,599,144 | | Total | | | | 0 | |
| FTE | | | | 0.00 | | FTE | | | | 0.00 | |

| | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| <i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i> | | | | |

| | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| <i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i> | | | | |

Other Funds: Health Initiatives Fund (HIF) (0275)

Other Funds:

2. CORE DESCRIPTION

This item funds payments for services provided through the Home Health program for the fee-for-service MO HealthNet population. This program is designed to help MO HealthNet participants remain in their home instead of seeking institutional care through the provision of clinical (or "skilled") medical services. Home Health services are also available through the MO HealthNet Managed Care health plans (*see program description in the Managed Care tab for more*)

3. PROGRAM LISTING (list programs included in this core funding)

Home Health Services

CORE DECISION ITEM

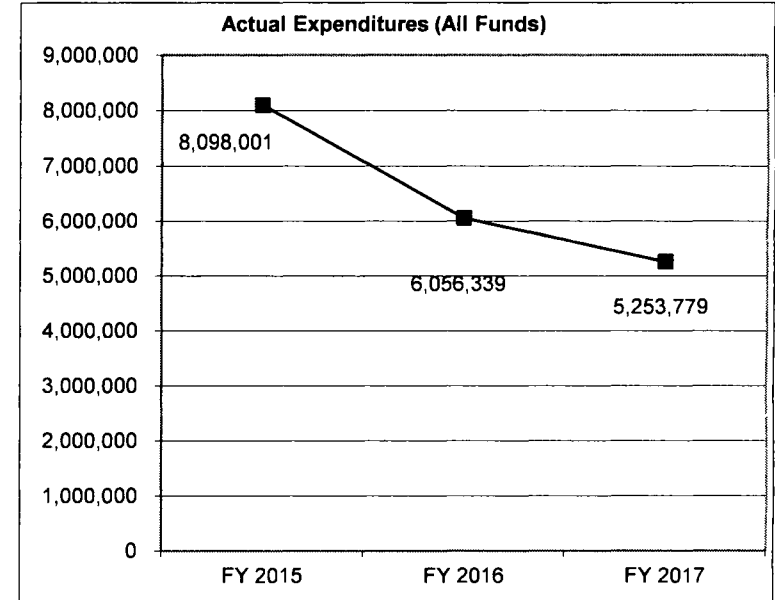
Department: Social Services
Division: MO HealthNet
Core: Home Health

Budget Unit: 90564C

HB Section: 11.470

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds) | 8,170,948 | 7,254,335 | 7,346,322 | 7,353,195 |
| Less Reverted (All Funds) | (4,779) | (4,779) | (4,779) | (4,779) |
| Less Restricted (All Funds) | 0 | 0 | 0 | (32,288) |
| Budget Authority (All Funds) | 8,166,169 | 7,249,556 | 7,341,543 | 7,316,128 |
| Actual Expenditures (All Funds) | 8,098,001 | 6,056,339 | 5,253,779 | N/A |
| Unexpended (All Funds) | 68,168 | 1,193,217 | 2,087,764 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 0 | 365,822 | 781,442 | N/A |
| Federal | 0 | 740,542 | 1,306,322 | N/A |
| Other | 68,168 | 86,853 | 0 | N/A |



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES HOME HEALTH

5. CORE RECONCILIATION DETAIL

| | | | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-----------|----|-----------------|-------------|------------------|--------------------|----------------|--------------------|---------------------------|
| TAFP AFTER VETOES | | | | | | | | | |
| | | | PD | 0.00 | 2,469,633 | 4,724,257 | 159,305 | 7,353,195 | |
| | | | Total | 0.00 | 2,469,633 | 4,724,257 | 159,305 | 7,353,195 | |
| DEPARTMENT CORE ADJUSTMENTS | | | | | | | | | |
| Core Reduction | 1670 1798 | PD | | 0.00 | 0 | (1,120,877) | 0 | (1,120,877) | Est FY18 lapse core redux |
| Core Reduction | 1670 1797 | PD | | 0.00 | (633,174) | 0 | 0 | (633,174) | Est FY18 lapse core redux |
| NET DEPARTMENT CHANGES | | | | 0.00 | (633,174) | (1,120,877) | 0 | (1,754,051) | |
| DEPARTMENT CORE REQUEST | | | | | | | | | |
| | | | PD | 0.00 | 1,836,459 | 3,603,380 | 159,305 | 5,599,144 | |
| | | | Total | 0.00 | 1,836,459 | 3,603,380 | 159,305 | 5,599,144 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | | | |
| | | | PD | 0.00 | 1,836,459 | 3,603,380 | 159,305 | 5,599,144 | |
| | | | Total | 0.00 | 1,836,459 | 3,603,380 | 159,305 | 5,599,144 | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|----------------------------------------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|------------|-------------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| HOME HEALTH | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 1,771,073 | 0.00 | 2,469,633 | 0.00 | 1,836,459 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 3,328,180 | 0.00 | 4,724,257 | 0.00 | 3,603,380 | 0.00 | 0 | 0.00 |
| HEALTH INITIATIVES | 154,526 | 0.00 | 159,305 | 0.00 | 159,305 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 5,253,779 | 0.00 | 7,353,195 | 0.00 | 5,599,144 | 0.00 | 0 | 0.00 |
| TOTAL | 5,253,779 | 0.00 | 7,353,195 | 0.00 | 5,599,144 | 0.00 | 0 | 0.00 |
| Year 1 Asset Limit CTC - 0000016 | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 22,742 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 40,890 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 63,632 | 0.00 | 0 | 0.00 |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 63,632 | 0.00 | 0 | 0.00 |
| Year 2 Asset Limit Increase - 0000017 | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 8,570 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 15,408 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 23,978 | 0.00 | 0 | 0.00 |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 23,978 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$5,253,779 | 0.00 | \$7,353,195 | 0.00 | \$5,686,754 | 0.00 | \$0 | 0.00 |

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FLEXIBILITY REQUEST FORM

| | |
|----------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| BUDGET UNIT NUMBER: 90564C BUDGET UNIT NAME: Home Health HOUSE BILL SECTION: 11.470 | DEPARTMENT: Social Services DIVISION: MO HealthNet |
|----------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

Department Request

| Total | % Flex | Flex Amount |
|--------------|--------|-------------|
| \$ 5,686,754 | 10% | \$ 568,675 |

Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.505, 11.510, 11.555, 11.560, and 11.600.

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

| PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED | CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED | BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED |
|-------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|
| None | HB11 language allows up to 10% flexibility between 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.505, 11.510, 11.555, and 11.600 | 10% flexibility is being requested for FY19 |

3. Please explain how flexibility was used in the prior and/or current years.

| PRIOR YEAR EXPLAIN ACTUAL USE | CURRENT YEAR EXPLAIN PLANNED USE |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| N/A | Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program. |

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|-----------------------|-------------|---------|-------------|---------|-------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| HOME HEALTH | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM DISTRIBUTIONS | 5,253,779 | 0.00 | 7,353,195 | 0.00 | 5,599,144 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 5,253,779 | 0.00 | 7,353,195 | 0.00 | 5,599,144 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$5,253,779 | 0.00 | \$7,353,195 | 0.00 | \$5,599,144 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$1,771,073 | 0.00 | \$2,469,633 | 0.00 | \$1,836,459 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$3,328,180 | 0.00 | \$4,724,257 | 0.00 | \$3,603,380 | 0.00 | | 0.00 |
| OTHER FUNDS | \$154,526 | 0.00 | \$159,305 | 0.00 | \$159,305 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.470

Program Name: Home Health

Program is found in the following core budget(s): Home Health

1a. What strategic priority does this program address?

Medical treatment/supervision at home

1b. What does this program do?

Home health services primarily provide medically-oriented treatment or supervision on an intermittent basis to individuals with an acute illness which can be therapeutically managed at home. Home health care follows a written plan of treatment established and reviewed every 60 days by a physician. Services included in the home health benefit are skilled nursing; home health aide; and physical, occupational and speech therapies. Supplies are also covered.

Program Statistics

In FY17, there was an average of 1102 MO HealthNet fee-for-service participants utilizing home health services each month. The home health program comprises .056% of the total Medicaid program dollars.

Program Goals

To provide access to medically-oriented treatment or supervision on an intermittent basis to MO HealthNet participants with an acute illness that can be therapeutically managed at home.

Program Objectives

Improve the health and wellness of MO HealthNet participants receiving therapeutic care at home.

Ensure adequate supply of home health providers.

Encourage care coordination among providers.

Reimbursement Methodology

Home health services are reimbursed in the fee-for-service and managed care settings. For managed care participants, Home health services are reimbursed by MO HealthNet through the actuarially sound capitated rate paid to the Managed Care Organizations (MCO's). For those eligible through fee-for-service, Home health services are reimbursed per visit. A visit is defined in part as a personal contact for a period of time not to exceed three hours in a client's home. Payment for the visit is the lower of the provider's actual billed charge or the state MO HealthNet agency established capped amount. The current MO HealthNet cap is \$77.16 (FY 18).

Rate History

7/1/17: 3% rate decrease to a cap rate of \$77.16.

7/1/16: ~2% rate increase to a cap rate of \$79.47

1/1/16: 1% rate increase funded with Tax Amnesty Fund to a cap rate of \$77.93

7/1/15: \$13.01 rate increase for Rate Stabilization to a cap rate of \$77.16

7/1/08: \$0.88 rate increase to a cap rate of \$64.15

7/1/07: \$0.48 rate increase to a cap rate of \$63.27

7/1/06: \$1.00 rate increase to a cap rate of \$62.79

7/1/05: \$1.97 rate increase to a cap rate of \$61.79

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Home Health
Program is found in the following core budget(s): Home Health

HB Section: 11.470

Additional Details

Prior to October 1, 2010, individuals were required to be homebound to receive Home Health Program services. The homebound requirement was removed effective October 1, 2010.

Effective September 1, 2005, only participants who are eligible under aid categories for children, pregnant women, or blind individuals are eligible for physical, occupational and speech therapy provided through home health. Therapy is limited and must be reasonable and necessary for restoration to an optimal level of functioning following an injury or illness.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152; Federal law: Social Security Act Section 1905(a)(24), 1905(a)(7) and 1915(c);
 Federal Regulations: 42 CFR 440.170(f), 440.210, 440.130 and 440.180 and 460. Social Security Act Sections: 1894, 1905(a) and 1934

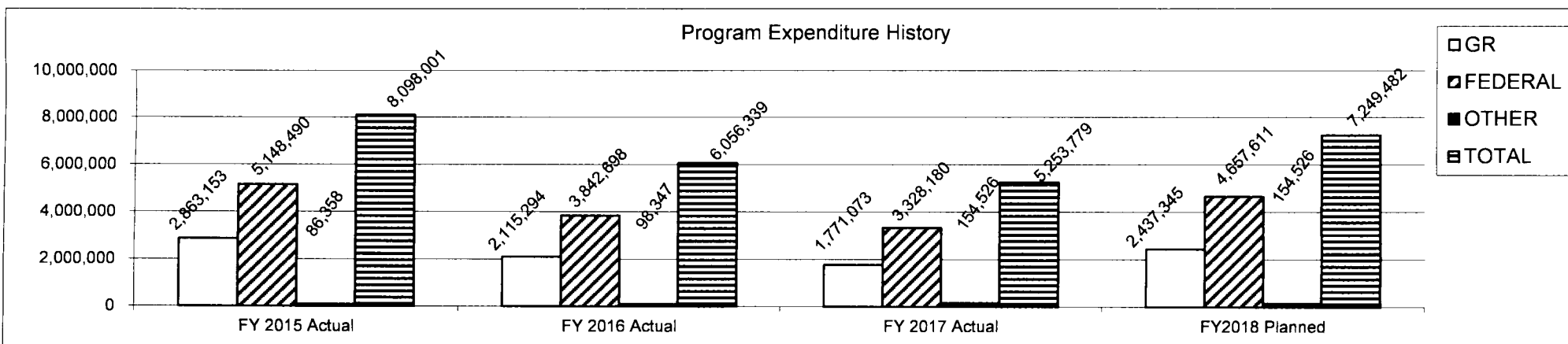
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY18 is blended 64.260% federal match. The state matching requirement is 35.740%.

4. Is this a federally mandated program? If yes, please explain.

Home Health is a mandatory Medicaid program.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2018 planned is net of reverted, restricted and reserve.

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Home Health
Program is found in the following core budget(s): Home Health

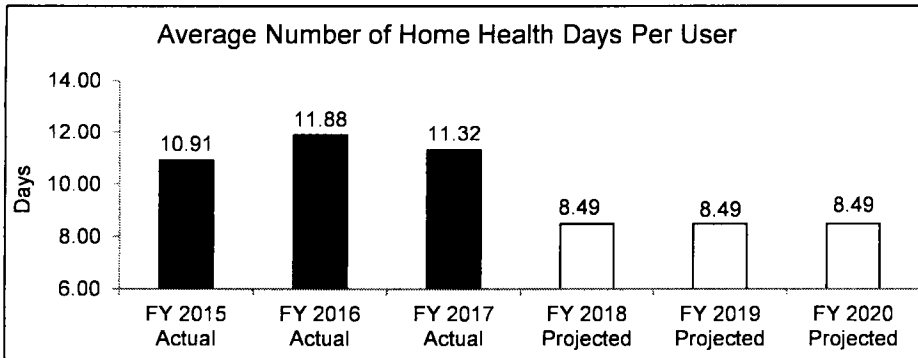
HB Section: 11.470

6. What are the sources of the "Other" funds?

Health Initiatives Fund (0275)

7a. Provide an effectiveness measure.

Home health plans are reviewed every 60 days. Providing health care at home is less costly than providing care in the hospital.



| User Count by Number of Days | | | | | |
|------------------------------|-------|-------|--------|------|-------|
| FY | 0-60 | 61-90 | 91-120 | 121+ | Total |
| 2015 Actual | 6,012 | 8 | 1 | 15 | 6,036 |
| 2016 Actual | 6,424 | 4 | 3 | 9 | 6,440 |
| 2017 Actual | 5,498 | 121 | 41 | 20 | 5,680 |
| 2018 Projected | 4,124 | 91 | 31 | 15 | 4,260 |
| 2019 Projected | 4,124 | 91 | 31 | 15 | 4,260 |
| 2019 Projected | 4,124 | 91 | 31 | 15 | 4,260 |

Reflects a shift to statewide Managed Care.

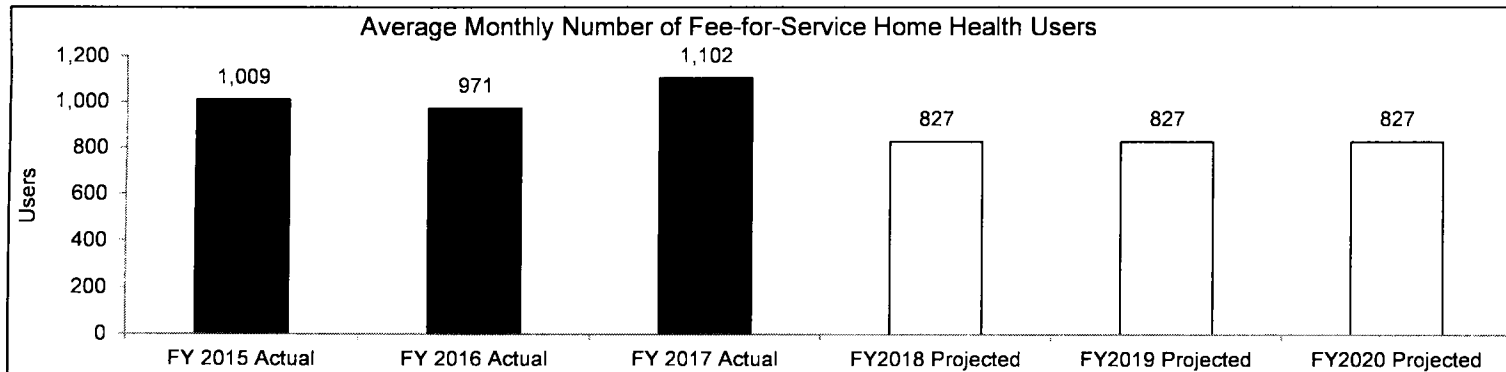
Reflects shift to statewide MC.

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

Home Health skilled nurse visits and home health aid services are available to all MO HealthNet population.



Reflects a shift to statewide Managed Care.

7d. Provide a customer satisfaction measure, if available.

N/A

Long Term Support Payment

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Long Term Support Payments

Budget Unit: 90548C

HB Section: 11.475

1. CORE FINANCIAL SUMMARY

| | FY 2019 Budget Request | | | | |
|-------|------------------------|-----------|-----------|------------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | 0 | 7,036,964 | 3,913,804 | 10,950,768 | |
| TRF | | | | | |
| Total | 0 | 7,036,964 | 3,913,804 | 10,950,768 | |

FTE 0.00

| | | | | |
|--------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|--------------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Long Term Support UPL (0724)

| | FY 2019 Governor's Recommendation | | | | |
|-------|-----------------------------------|---------|-------|-------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | | | | 0 | |
| TRF | | | | | |
| Total | | | | 0 | |

FTE 0.00

| | | | | |
|--------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|--------------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

This program provides a supplemental payment to qualifying public nursing facilities for their unreimbursed cost, subject to the upper payment limit.

3. PROGRAM LISTING (list programs included in this core funding)

Long Term Support Payments

CORE DECISION ITEM

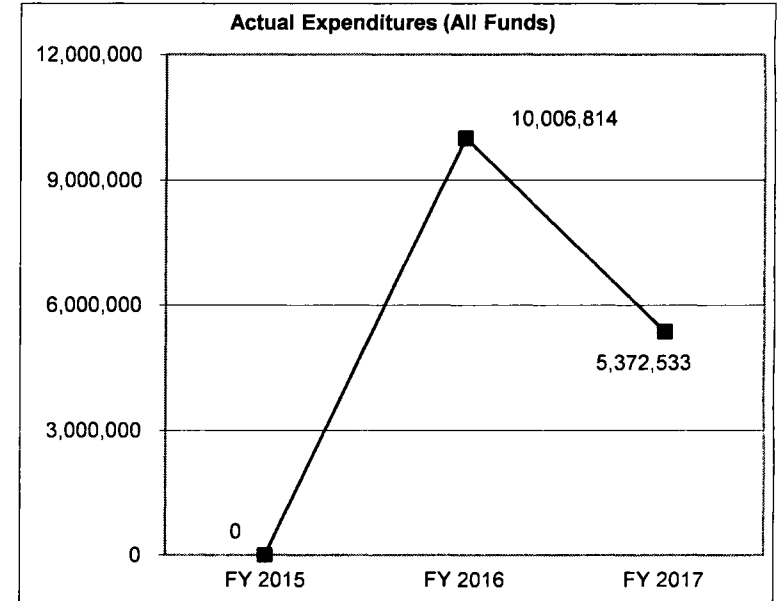
Department: Social Services
Division: MO HealthNet
Core: Long Term Support Payments

Budget Unit: 90548C

HB Section: 11.475

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds) | 45,895,112 | 10,950,768 | 10,950,768 | 10,950,768 |
| Less Reverted (All Funds) | 0 | 0 | 0 | N/A |
| Less Restricted (All Funds) | 0 | 0 | 0 | N/A |
| Budget Authority (All Funds) | 45,895,112 | 10,950,768 | 10,950,768 | N/A |
| Actual Expenditures (All Funds) | 0 | 10,006,814 | 5,372,533 | N/A |
| Unexpended (All Funds) | 45,895,112 | 943,954 | 5,578,235 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 0 | 0 | 0 | N/A |
| Federal | 28,393,011 | 629,282 | 2,891,933 | N/A |
| Other | 17,502,101 | 314,672 | 2,686,302 | N/A |



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
LONG TERM SUPPORT PAYMENTS**

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-------------------------|-------------|-----------|------------------|------------------|-------------------|--------------------|
| <hr/> | | | | | | | |
| TAFP AFTER VETOES | | | | | | | |
| | PD | 0.00 | 0 | 7,036,964 | 3,913,804 | 10,950,768 | |
| | Total | 0.00 | 0 | 7,036,964 | 3,913,804 | 10,950,768 | |
| <hr/> | | | | | | | |
| DEPARTMENT CORE REQUEST | | | | | | | |
| | PD | 0.00 | 0 | 7,036,964 | 3,913,804 | 10,950,768 | |
| | Total | 0.00 | 0 | 7,036,964 | 3,913,804 | 10,950,768 | |
| <hr/> | | | | | | | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | PD | 0.00 | 0 | 7,036,964 | 3,913,804 | 10,950,768 | |
| | Total | 0.00 | 0 | 7,036,964 | 3,913,804 | 10,950,768 | |
| <hr/> | | | | | | | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|-----------------------------------|-------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| LONG TERM SUPPORT PAYMENTS | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| TITLE XIX-FEDERAL AND OTHER | 3,399,739 | 0.00 | 7,036,964 | 0.00 | 7,036,964 | 0.00 | 0 | 0.00 |
| LONG-TERM SUPPORT UPL | 1,972,794 | 0.00 | 3,913,804 | 0.00 | 3,913,804 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 5,372,533 | 0.00 | 10,950,768 | 0.00 | 10,950,768 | 0.00 | 0 | 0.00 |
| TOTAL | 5,372,533 | 0.00 | 10,950,768 | 0.00 | 10,950,768 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$5,372,533 | 0.00 | \$10,950,768 | 0.00 | \$10,950,768 | 0.00 | \$0 | 0.00 |

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DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|----------------------------|-------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| LONG TERM SUPPORT PAYMENTS | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM DISTRIBUTIONS | 5,372,533 | 0.00 | 10,950,768 | 0.00 | 10,950,768 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 5,372,533 | 0.00 | 10,950,768 | 0.00 | 10,950,768 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$5,372,533 | 0.00 | \$10,950,768 | 0.00 | \$10,950,768 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$3,399,739 | 0.00 | \$7,036,964 | 0.00 | \$7,036,964 | 0.00 | | 0.00 |
| OTHER FUNDS | \$1,972,794 | 0.00 | \$3,913,804 | 0.00 | \$3,913,804 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.475

Program Name: Long Term Support Payments

Program is found in the following core budget(s): Long Term Support Payments

1a. What strategic priority does this program address?

Support long term care services

1b. What does this program do?

This program provides a supplemental payment to qualifying public nursing facilities for their unreimbursed cost, subject to the upper payment limit (UPL). The UPL is the maximum a state Medicaid program may pay a provider. The long-term care services and supports UPL is calculated at the Medicare rate. Annual payments are made to the following qualifying public nursing facilities through an approved state plan amendment:

- Caruthersville Nursing Center (through FY 2016)
- Pemiscot Memorial Hospital
- Truman Medical Center-Lakewood

Program Statistics

The first supplemental UPL payment for long-term care services and supports was made in FY14.

Program Goals

To support long-term care services and supports provided at public nursing facilities.

Program Objectives

When appropriate, use IGT as a source of funding to maximize eligible costs for federal Medicaid funds.

Reimbursement Methodology

MHD contracts with a vendor to collect and review provider payment data and compares the Medicaid reimbursement with the Medicare reimbursement for the Medicaid participants to demonstrate that Medicaid payments do not exceed the Medicare Upper Payment Limit (UPL) and determine the UPL gap (i.e., the difference between Medicare reimbursement and Medicaid reimbursement). The UPL payment to the qualifying facilities is based on the facility's unreimbursed cost, not to exceed the UPL. The qualifying public nursing homes then utilize an intergovernmental transfer (IGT) process to transfer the non-federal share of payments to the state prior to payments being made. The state pays out the total claimable amount including both federal and non-federal share. The state demonstrates that the non-federal share of the payments is transferred to, and under the administrative control of, the MO HealthNet Division before the total computable payment is made to the qualifying public nursing facilities.

Rate History

This program does not utilize a rate reimbursement methodology.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Federal Regulations: 42 CFR, 447.272

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.475

Program Name: Long Term Support Payments

Program is found in the following core budget(s): Long Term Support Payments

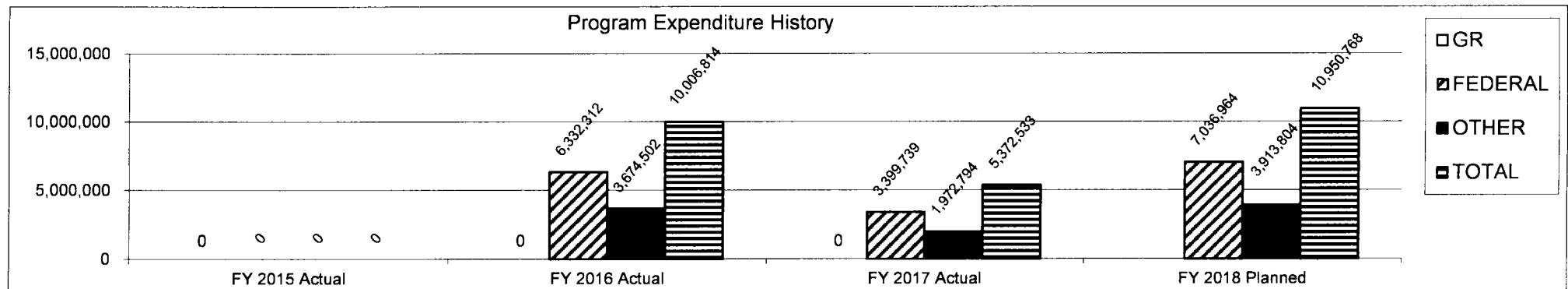
3. Are there federal matching requirements? If yes, please explain.

There are federal matching requirements for allowable Medicaid expenses.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



New program in FY 2013.

6. What are the sources of the "Other " funds?

Long Term Support UPL Fund (0724)

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

Rehab & Specialty Services

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Rehab and Specialty Services

Budget Unit: 90550C

HB Section: 11.480

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | | FY 2019 Governor's Recommendation | | | | | |
|------------------------|------------|-------------|------------|-------------|---|-----------------------------------|----|---------|-------|-------|---|
| | GR | Federal | Other | Total | E | | GR | Federal | Other | Total | E |
| PS | | | | | | PS | | | | | |
| EE | 844,334 | 844,000 | 1 | 1,688,335 | | EE | | | | | |
| PSD | 83,301,445 | 161,431,790 | 26,620,850 | 271,354,085 | | PSD | | | | | |
| TRF | | | | | | TRF | | | | | |
| Total | 84,145,779 | 162,275,790 | 26,620,851 | 273,042,420 | | Total | 0 | 0 | 0 | 0 | |
| FTE | | | | 0.00 | | FTE | | | | 0.00 | |

| | | | | |
|--------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|--------------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

| | | | | |
|--------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|--------------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Healthy Families Trust Fund (0625)
 Health Initiatives Fund (HIF) (0275)
 Nursing Facility Reimbursement Allowance (NFRA) (0196)
 Ambulance Service Reimbursement Allowance (0958)

Other Funds:

2. CORE DESCRIPTION

This item funds rehabilitation and specialty services for the fee-for-service MO HealthNet population. The services funded from this core include: audiology/hearing aid; optical; durable medical equipment (DME); ambulance; physical therapy, occupational therapy, speech therapy, and adaptive training for prosthetic/orthotic devices performed in a rehabilitation center; hospice; comprehensive day rehabilitation for individuals with traumatic brain injuries; and children's residential treatment. Rehabilitation and specialty services are also available through the MO HealthNet Managed Care health plans (see program description in the Managed Care tab for more information).

3. PROGRAM LISTING (list programs included in this core funding)

Rehabilitation and Specialty Services

CORE DECISION ITEM

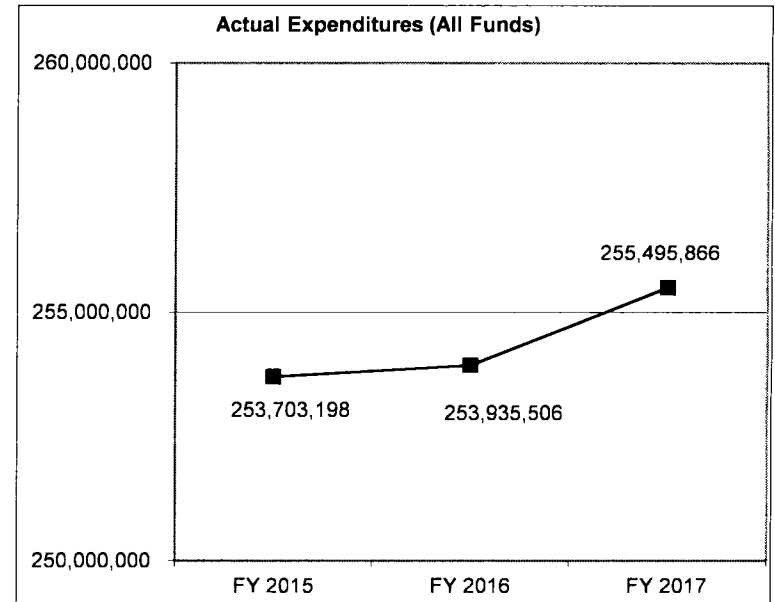
Department: Social Services
Division: MO HealthNet
Core: Rehab and Specialty Services

Budget Unit: 90550C

HB Section: 11.480

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|---------------------------|---------------------------|---------------------------|--------------------------------|
| Appropriation (All Funds) | 284,159,971 | 252,982,858 | 259,008,150 | 264,704,364 |
| Less Reverted (All Funds) | (5,846) | (5,846) | (5,846) | N/A |
| Less Restricted (All Funds) | 0 | 0 | (22,414) | N/A |
| Budget Authority (All Funds) | 284,154,125 | 252,977,012 | 258,979,890 | N/A |
| Actual Expenditures (All Funds) | 253,703,198 | 253,935,506 | 255,495,866 | N/A |
| Unexpended (All Funds) | 30,450,927 | (958,494) | 3,484,024 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 59,098 | 1,494,413 | 0 | N/A |
| Federal | 30,215,239 | 0 | 3,842,033 | N/A |
| Other | 176,590 | 131,280 | 1,522,147 | N/A |
| | (1) | (2) | (3) | |



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY15 \$12,780,114 (\$4,762,424 GR; \$8,017,690 Federal) was transferred to a new section - Complex Rehabilitation Technology.

(2) FY16 \$2,584,245 federal fund authority was flexed from the CHIP section to Rehab & Specialty. \$25,770,659 was paid from MC Expansion.

(3) FY17 \$35,272,543 paid from MC.

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Rehab and Specialty Services

Budget Unit: 90550C

HB Section: 11.480

Cost Per Eligible - Per Member Per Month (PMPM)

| | Rehab & Specialty PMPM | Acute Care PMPM | Total PMPM | Rehab & Specialty Percentage of Acute | Rehab & Specialty Percentage of Total |
|-------------------|------------------------|-----------------|------------|---------------------------------------|---------------------------------------|
| PTD | \$70.94 | \$1,127.90 | \$2,188.07 | 6.29% | 3.24% |
| Seniors | \$108.44 | \$406.24 | \$1,679.11 | 26.69% | 6.46% |
| Custodial Parents | \$5.37 | \$476.89 | \$515.48 | 1.13% | 1.04% |
| Children* | \$3.20 | \$266.90 | \$297.35 | 1.20% | 1.08% |
| Pregnant Women | \$6.86 | \$899.91 | \$916.46 | 0.76% | 0.75% |

Source: Table 23 Medical Statistics for FY 17. (Paid Claims Data)

* CHIP eligibles not included

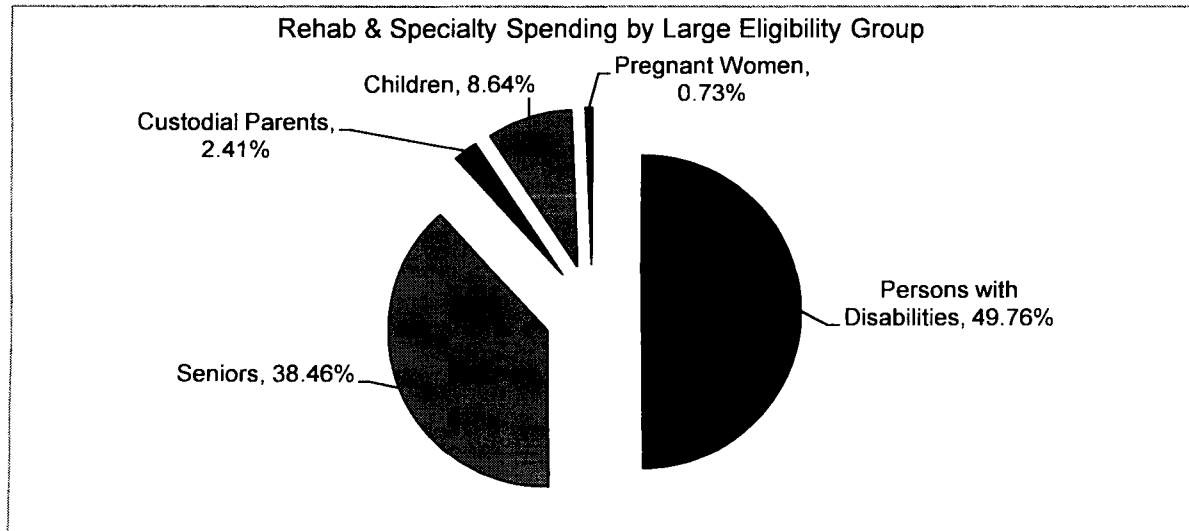
The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MO HealthNet (MHD) management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for rehab services, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does not include nursing facilities, in-home services, mental health services and state institutions. By comparing the rehab and specialty PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for rehab and specialty services. It provides a snapshot of what eligibility groups are receiving the services, as well as the populations impacted by program changes.



Source: Table 23 Medical Statistics for FY 17. (Paid Claims Data)

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES REHAB AND SPECIALTY SERVICES

5. CORE RECONCILIATION DETAIL

| | | | | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|------|------|--|-----------------|-------------|-------------------|--------------------|-------------------|--------------------|----------------------------------------------------------------------------------|
| TAFP AFTER VETOES | | | | | | | | | | |
| | | | | EE | 0.00 | 844,334 | 844,000 | 0 | 1,688,334 | |
| | | | | PD | 0.00 | 81,738,266 | 154,656,913 | 26,620,851 | 263,016,030 | |
| | | | | Total | 0.00 | 82,582,600 | 155,500,913 | 26,620,851 | 264,704,364 | |
| DEPARTMENT CORE ADJUSTMENTS | | | | | | | | | | |
| Core Reallocation | 485 | 7368 | | EE | 0.00 | 0 | 0 | 1 | | 1 Core reallocations will more closely align budget with planned expenditures. |
| Core Reallocation | 485 | 7368 | | PD | 0.00 | 0 | 0 | (1) | | (1) Core reallocations will more closely align budget with planned expenditures. |
| Core Reallocation | 1653 | 8204 | | PD | 0.00 | 1,563,179 | 0 | 0 | 1,563,179 | MC lapse reall to Rehab |
| Core Reallocation | 1653 | 8205 | | PD | 0.00 | 0 | 6,774,877 | 0 | 6,774,877 | MC lapse reall to Rehab |
| NET DEPARTMENT CHANGES | | | | | 0.00 | 1,563,179 | 6,774,877 | 0 | 8,338,056 | |
| DEPARTMENT CORE REQUEST | | | | | | | | | | |
| | | | | EE | 0.00 | 844,334 | 844,000 | 1 | 1,688,335 | |
| | | | | PD | 0.00 | 83,301,445 | 161,431,790 | 26,620,850 | 271,354,085 | |
| | | | | Total | 0.00 | 84,145,779 | 162,275,790 | 26,620,851 | 273,042,420 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | | | | |
| | | | | EE | 0.00 | 844,334 | 844,000 | 1 | 1,688,335 | |
| | | | | PD | 0.00 | 83,301,445 | 161,431,790 | 26,620,850 | 271,354,085 | |
| | | | | Total | 0.00 | 84,145,779 | 162,275,790 | 26,620,851 | 273,042,420 | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|----------------------------------------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|----------|-------------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| REHAB AND SPECIALTY SERVICES | | | | | | | | |
| CORE | | | | | | | | |
| EXPENSE & EQUIPMENT | | | | | | | | |
| GENERAL REVENUE | 59,016 | 0.00 | 844,334 | 0.00 | 844,334 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 59,590 | 0.00 | 844,000 | 0.00 | 844,000 | 0.00 | 0 | 0.00 |
| AMBULANCE SERVICE REIMB ALLOW | 250,000 | 0.00 | 0 | 0.00 | 1 | 0.00 | 0 | 0.00 |
| TOTAL - EE | 368,606 | 0.00 | 1,688,334 | 0.00 | 1,688,335 | 0.00 | 0 | 0.00 |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 79,599,174 | 0.00 | 81,738,266 | 0.00 | 83,301,445 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 151,959,483 | 0.00 | 154,656,913 | 0.00 | 161,431,790 | 0.00 | 0 | 0.00 |
| NURSING FACILITY FED REIMB ALLOW | 814,043 | 0.00 | 1,414,043 | 0.00 | 1,414,043 | 0.00 | 0 | 0.00 |
| HEALTH INITIATIVES | 189,035 | 0.00 | 194,881 | 0.00 | 194,881 | 0.00 | 0 | 0.00 |
| HEALTHY FAMILIES TRUST | 1,528,712 | 0.00 | 831,745 | 0.00 | 831,745 | 0.00 | 0 | 0.00 |
| AMBULANCE SERVICE REIMB ALLOW | 21,036,813 | 0.00 | 24,180,182 | 0.00 | 24,180,181 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 255,127,260 | 0.00 | 263,016,030 | 0.00 | 271,354,085 | 0.00 | 0 | 0.00 |
| TOTAL | 255,495,866 | 0.00 | 264,704,364 | 0.00 | 273,042,420 | 0.00 | 0 | 0.00 |
| Year 1 Asset Limit CTC - 0000016 | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 612,162 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 1,419,474 | 0.00 | 0 | 0.00 |
| AMBULANCE SERVICE REIMB ALLOW | 0 | 0.00 | 0 | 0.00 | 177,318 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 2,208,954 | 0.00 | 0 | 0.00 |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 2,208,954 | 0.00 | 0 | 0.00 |
| Year 2 Asset Limit Increase - 0000017 | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 230,672 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 534,878 | 0.00 | 0 | 0.00 |
| AMBULANCE SERVICE REIMB ALLOW | 0 | 0.00 | 0 | 0.00 | 66,816 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 832,366 | 0.00 | 0 | 0.00 |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 832,366 | 0.00 | 0 | 0.00 |

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DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | | |
|----------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|------------|-------------|--|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** | |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED | |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN | |
| REHAB AND SPECIALTY SERVICES | | | | | | | | | |
| MHD COST TO CONTINUE - 1886001 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 6,056,600 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 3,750,548 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 9,807,148 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 9,807,148 | 0.00 | 0 | 0.00 | |
| Hospice Rate Increase - 1886010 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 105,373 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 192,373 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 297,746 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 297,746 | 0.00 | 0 | 0.00 | |
| GRAND TOTAL | \$255,495,866 | 0.00 | \$264,704,364 | 0.00 | \$286,188,634 | 0.00 | \$0 | 0.00 | |

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FLEXIBILITY REQUEST FORM

| | |
|---------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| BUDGET UNIT NUMBER: 90550C BUDGET UNIT NAME: Rehab and Specialty Services HOUSE BILL SECTION: 11.480 | DEPARTMENT: Social Services DIVISION: MO HealthNet |
|---------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

Department Request

| | | |
|----------------|---------------|--------------------|
| Total | % Flex | Flex Amount |
| \$ 286,188,634 | 10% | \$ 28,618,863 |

Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.505, 11.510, 11.555, 11.560, and 11.600.

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

| PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED | CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED | BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED |
|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|
| \$2,203,057 | HB11 language allows up to 10% flexibility between 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.510, 11.555, and 11.600 | 10% flexibility is being requested for FY19 |

3. Please explain how flexibility was used in the prior and/or current years.

| PRIOR YEAR EXPLAIN ACTUAL USE | CURRENT YEAR EXPLAIN PLANNED USE |
|--------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| Flexibility was utilized from Rehab & Specialty to Managed Care in FY17. | Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program. |

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|------------------------------|---------------|---------|---------------|---------|---------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| REHAB AND SPECIALTY SERVICES | | | | | | | | |
| CORE | | | | | | | | |
| PROFESSIONAL SERVICES | 368,606 | 0.00 | 1,688,334 | 0.00 | 1,688,335 | 0.00 | 0 | 0.00 |
| TOTAL - EE | 368,606 | 0.00 | 1,688,334 | 0.00 | 1,688,335 | 0.00 | 0 | 0.00 |
| PROGRAM DISTRIBUTIONS | 255,127,260 | 0.00 | 263,016,030 | 0.00 | 271,354,085 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 255,127,260 | 0.00 | 263,016,030 | 0.00 | 271,354,085 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$255,495,866 | 0.00 | \$264,704,364 | 0.00 | \$273,042,420 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$79,658,190 | 0.00 | \$82,582,600 | 0.00 | \$84,145,779 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$152,019,073 | 0.00 | \$155,500,913 | 0.00 | \$162,275,790 | 0.00 | | 0.00 |
| OTHER FUNDS | \$23,818,603 | 0.00 | \$26,620,851 | 0.00 | \$26,620,851 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.480

Program Name: Rehab and Specialty Services

Program is found in the following core budget(s): Rehab and Specialty Services

1a. What strategic priority does this program address?

Provide supportive services

1b. What does this program do?

Program Description

Rehabilitation and specialty services funded from this core include the following:

- Audiology/hearing aid;
- Optical;
- Durable medical equipment (DME);
- Ambulance;
- Physical therapy, occupational therapy, speech therapy, and adaptive training for prosthetic/orthotic devices when performed in a rehabilitation center;
- Hospice;
- Comprehensive day rehabilitation for individuals with traumatic brain injuries; and
- Children's residential treatment.

Unless otherwise noted, rehabilitation and specialty services are covered only for participants who are under the age of 21, pregnant women, the blind, and nursing facility residents (including Independent Care Facilities for individuals with Intellectual Disabilities-ICF/ID).

Program Statistics

The total number of fee-for-service participants eligible for rehab and specialty services is 241,057 (as of June 2017). The rehab program comprises 3.044% of the total Medicaid program dollars. Based on expenditures in FY 17, hospice is the largest of the rehab programs (30%), followed by ambulance (19%), DME (19%), and children's residential treatment (17%). All other rehab services comprise 15% of the program's expenditures.

Program Goals

To provide additional supportive services designed to meet a MO HealthNet participant's individual needs regarding therapeutic and adaptive equipment, rehabilitation, emergency medical transportation, and end-of-life care.

Program Objectives

To ensure proper health care for the general health and well-being of MO HealthNet participants.

To ensure adequate supply of providers.

To increase use of Early and Periodic Screening Diagnosis and Treatment (EPSDT) services, also known as the Healthy Children and Youth (HCY) program, for children.

To encourage care coordination among providers.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.480

Program Name: Rehab and Specialty Services

Program is found in the following core budget(s): Rehab and Specialty Services

Reimbursement Methodology

The majority of rehabilitation and specialty services are reimbursed on a fee schedule although a few services are reimbursed manually, whereby each procedure or claim is priced individually by a medical consultant based on the unique circumstances of the case. Certain procedures are only reimbursable with prior approval.

- All hearing aids and related services must have prior approval except audiometric testing, post-fitting evaluation, post-fitting adjustment, and repairs to hearing aids no longer under warranty. A MO HealthNet audiologist consultant gives prior authorization for the claims MO HealthNet requires pre-certification for optical services provided to MO HealthNet fee-for-service participants through MHD's web tool, CyberAccessSM. Pre-certification is similar to prior authorization, but services are authorized through an automated tool while a prior authorization requires approval from a clinical consultant (*see the program description in the Clinical Services tab for more information about pre-certification for rehab and specialty services*).
- Comprehensive day rehabilitation services require prior authorization. Reimbursement is made for either a full day or a half day of services.
- Certain DME items require prior authorization because not all DME classified items may be covered in every instance. MO HealthNet reimbursement is only available if the item is reasonable and necessary for treatment of an illness or injury, or to improve the functioning of a malformed or permanently inoperative body part; meets the definition of durable medical equipment or prosthesis; and is used in the participant's home. *See Additional Details for more information about DME prior authorization.*

Rehabilitative therapies such as adaptive training in connection with the receipt of an orthotic or prosthetic device or artificial larynx can be provided in Rehabilitation Centers, outpatient hospital clinics, and home health settings. Physical, occupational, and speech therapies can be provided in Rehabilitation Centers, outpatient hospital clinics, physician-related service facilities, schools, and home health settings. Reimbursement is only made from the Rehab and Specialty Services appropriation when the service is provided by a Rehabilitation Center. *See program descriptions for Hospital, Physician-Related Services, School District Medicaid Claiming, and Home Health for additional reimbursement methodologies for these services.*

A copayment, a portion of the providers' charges paid by the participant, is required for certain rehab and specialty services and is determined in state regulation (13 CSR 70-4.050). *See Physician-Related Services for more information about participant copays.*

Ambulance Reimbursement:

MHD reimburses a base charge at the lesser of billed charges or the MHD maximum fee for patient pickup and transportation to the destination. The base charge may be reimbursed for basic life support (BLS), advanced life support no specialized services rendered, advanced life support level 1 (ALS1), or advanced life support level 2 (ALS2). Another reimbursable ambulance service is mileage. Mileage must be based pursuant to "loaded" mileage from the point of pickup of a participant to arrival at a destination. Loaded mileage is when the participant is present in the ambulance vehicle. MHD also reimburses for ancillary services and supplies provided for a covered service when not included in the base rate. Ancillary services and supplies are not covered when the participant is not transported. Enhanced funding is also available to ambulance service providers through the Ambulance Service Reimbursement Allowance Program. This program assesses a provider tax to all ground ambulance providers for the privilege of doing business in the state. The assessment provides funding to pay enhanced fees to ground ambulance services using the Ambulance Service Reimbursement Allowance Fund as a general revenue equivalent.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.480

Program Name: Rehab and Specialty Services

Program is found in the following core budget(s): Rehab and Specialty Services

Hospice Reimbursement:

MO HealthNet reimbursement for hospice care is made at one of four predetermined rates for each day in which an individual is under the care of hospice. The four levels of care are routine home care, continuous home care, inpatient respite care, or general inpatient care. The rate paid for any day may vary, depending on the level of care furnished. Payment rates are adjusted for regional differences in wages. MO HealthNet rates are calculated based on the annual hospice rates established by Medicare. In addition, Section 1814 (l)(1)(C)(ii) of the Social Security Act provides for an annual increase in the hospice cap amounts. Nursing home room and board is reimbursed to the hospice provider at 95% of the nursing home rate on file. The hospice is responsible for paying the nursing home. Effective January 1, 2016, CMS implemented a new reimbursement methodology for routine home care rates. *See Additional Details for more information on this change.*

Children's Residential Treatment Reimbursement:

MO HealthNet provides reimbursement for Title XIX eligible expenditures for children served by contracted residential facilities. Reimbursement is made on a per diem basis. The per diem is dependent upon the level of care required for each child. *For more information on Children's Residential Treatment rates, see the Children's Division budget book.*

Service Information

Audiology/Hearing Aid

This program only provides hearing aids and related covered services. Covered services include: audiological testing, hearing aids, ear molds, hearing aid fitting, hearing aid dispensing/evaluation, post-fitting evaluation, post-fitting adjustments, and hearing aid repairs. A participant is entitled to one new hearing aid and related services every four years. However, services for children under the EPSDT program are determined to be whatever is medically necessary. The EPSDT claims are reviewed by MO HealthNet's audiologist consultant only if rejected by the computer system. *See the program description in the Physicians-Related Services tab for more information about EPSDT benefits.*

Optical

The MO HealthNet Optical Program covers the following types of providers and services:

- Optometrists - eye examinations, eyeglasses, artificial eyes, and special ophthalmological services;
- Physicians - eyeglasses, artificial eyes (physician must be enrolled in the Optical program in order to bill for these services); and
- Opticians - eyeglasses and artificial eyes.

Participants who are age 20 and under or who are pregnant, blind, or in a nursing facility (including ICF/ID) are eligible for an eye exam every twelve months. MO HealthNet participants age 21 and over are eligible for an eye exam every twenty-four months. Participants may be eligible for eye exams within the stated time periods if the participant has a .50 diopter change in one or both eyes. MO HealthNet eligible participants are allowed one pair of complete eye glasses every two years. Participants that have a .50 diopter change within the stated time periods may be eligible to receive a new lens. An optometrist is used as a consultant for this program. The consultant reviews prescriptions that do not meet the program criteria. Services related to trauma or treatment of disease/medical conditions remain a covered benefit for all MO HealthNet participants.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.480

Program Name: Rehab and Specialty Services

Program is found in the following core budget(s): Rehab and Specialty Services

Durable Medical Equipment (DME)

MO HealthNet reimburses qualified participating DME providers for certain items of durable medical equipment such as: prosthetics; oxygen and respiratory care equipment; ostomy supplies; wheelchairs; wheelchair accessories; labor and repair codes. These items must be for use in the participant's home when ordered in writing by the participant's physician or nurse practitioner.

The following items are covered for MO HealthNet participants: apnea monitors; artificial larynx and related items; augmentative communications devices; canes; crutches; commodes; bed pans; adult incontinence briefs; urinals; CPAP devices; decubitus care equipment; hospital beds; side rails; humidifiers; BiPAP machines; IPPB machines; insulin pumps and supplies; labor and repair codes; nebulizers; orthotics; ostomy supplies; oxygen and respiratory equipment; patient lifts and trapeze; prosthetics; scooters; suction pumps; total parenteral nutrition mix; supplies and equipment; wheelchairs; wheelchair accessories and walkers.

In addition to children, pregnant women, the blind, and nursing facility residents (including ICF/ID), DME (excluding apnea monitors) is available to adults.

Ambulance

Emergency medical transportation is provided under the ambulance program. Ambulance services are covered if they are emergency services and transportation is made to the nearest appropriate hospital. Certain specified non-emergency but medically necessary ambulance transports are also covered. Reimbursement is provided for the base charge which includes the following: supplies for BLS services; supplies, medications and specialized services for ALS services; special attendants for the patient while enroute; vehicle operating expenses; waiting time which is the amount of time an ambulance spends waiting to see if the patient is to be admitted to the hospital; unloaded trip mileage from base to point of pickup and from point of destination back to the base; and reusable durable medical equipment. Ambulance services can be provided through ground or air transportation (helicopter/fixed wing) if medically necessary.

All MO HealthNet participants are eligible for ambulance services.

Rehabilitation Therapies

MO HealthNet funds the following three types of rehabilitation therapies:

- Adaptive training of MO HealthNet participants who have prosthetic/orthotic devices. Covered services include: comprehensive evaluation; stump conditioning; prosthetic training; orthotic training; speech therapy for artificial larynx; and occupational therapy related to the prosthetic/orthotic adaption. These procedures are covered by MO HealthNet even when the prosthetic/orthotic service was not provided through the MO HealthNet program.
- Medically necessary physical, occupational and speech therapy services (only for children under the age of 21) through the EPSDT program.
- Evaluation and training for an augmentative communication device. Augmentative communication devices and accessories are covered through as a DME item and require prior authorization.

Hospice

The hospice benefit is designed to meet the needs of patients with a life-limiting illness and to help their families cope with the problems and feelings related to this difficult time. Reimbursement is limited to qualified MO HealthNet enrolled hospice providers rendering services to terminally ill patients who have elected hospice benefits. After the participant elects hospice services, the hospice provides for all care, supplies, equipment, and medicines related to the terminal illness. MO HealthNet reimburses the hospice provider who then reimburses the provider of the services if the services are not provided by the hospice provider. However, due to federal regulations, MO HealthNet hospice services for a child (ages 0-20) may be concurrent with the care related to the curative treatment of the child's condition for which a diagnosis of a terminal illness has been made.

All MO HealthNet participants are eligible for hospice services.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.480

Program Name: Rehab and Specialty Services

Program is found in the following core budget(s): Rehab and Specialty Services

Comprehensive Day Rehabilitation

This program covers services for certain persons with disabling impairments as the result of a traumatic head injury. It provides intensive, comprehensive services designed to prevent and/or minimize chronic disabilities while restoring the individual to an optimal level of physical, cognitive, and behavioral function within the context of the person, family, and community.

The program emphasizes functional living skills, adaptive strategies for cognitive, memory or perceptual deficits, and appropriate interpersonal skills. These services help to train individuals so that the person can leave the rehabilitation center and re-enter society. Services are designed to maintain and improve the participant's ability to function as independently as possible in the community. Services for this program must be provided in a free-standing rehabilitation center or in an acute hospital setting with space dedicated to head injury rehabilitation.

Children's Residential Treatment

MHD partially funds children's residential treatment services with Title XIX funds. These services cover children who are status offenders and children who have been abused or neglected and/or have emotional or psychological difficulties requiring treatment in a residential environment. There are various levels of residential services available to these youth and children, depending on specific needs. *See the Children's Division budget book for additional information on residential treatment services.*

Rate History

Audiology/Hearing Aid

- 07/01/2017: 3% rate decrease on all covered services.
- 07/01/16: ~2% rate increase on all covered services
- 01/01/16: 1% rate increase on all covered services (funded by the Tax Amnesty Fund)

Optical

- 07/01/2017: 3% rate decrease on all covered services.
- 07/01/16: ~2% rate increase on all covered services
- 01/01/16: 1% rate increase on all covered services (funded by the Tax Amnesty Fund)
- 07/03/08: \$10.00 rate increase to eight exam codes.

Durable Medical Equipment (DME)

- 07/01/2016: 3% rate decrease on all DME services listed on the fee schedule.
- 07/01/16 ~2% rate increase on all DME services listed on the fee schedule
- 01/01/16: 1% rate increase on all DME services listed on the fee schedule (funded by the Tax Amnesty Fund)
- 07/01/15: Increase rates for all services to match the 04/01/10 MO HealthNet fee schedule. Increase the rate of reimbursement for complex rehab DME manually priced items: 90% of MSRP for manual and custom wheelchairs and accessories; 95% of MSRP for power wheelchairs, gait trainers/standers, and custom
- 08/12/10: Decrease rates for all services except complex rehab item to 96.5% of the 01/01/10 Medicare fee schedule; oxygen reimbursement methodology revised to increase reimbursement of portable systems and decrease reimbursement of stationary systems

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.480

Program Name: Rehab and Specialty Services

Program is found in the following core budget(s): Rehab and Specialty Services

- 04/15/10: Decrease rates to 100% of the 01/01/09 Medicare fee schedule; manually priced wheelchairs and accessories decreased to 80% of Manufacturers Suggested Retail Price (MSRP) for manual and custom wheelchairs and 85% of MSRP for power wheelchairs; revised requirements for eligibility for nursing home wheelchairs to decrease costs

Ambulance

- 7/1/17: \$45 base rate increase for ground ambulance - 3% rate decrease for all ambulance services
- 7/1/16: \$45 base rate increase for ground ambulance; ~2% rate increase for all ambulance services; and an additional 51% increase for certain helicopter emergency services
- 1/1/16: 1% rate increase for all ambulance services (funded by the Tax Amnesty Fund)
- 7/1/14: \$45 base rate increase for ground ambulance
- 7/1/13: \$45 base rate increase for ground ambulance
- 10/1/11: Ambulance Service Reimbursement Allowance Program begins

Rehabilitation Therapies

- 07/01/2016: 3% rate decrease on all covered services.
- 07/01/16: ~2% rate increase on all covered services
- 01/01/16: 1% rate increase on all covered services (funded by the Tax Amnesty Fund)

Hospice (annually adjusted based on hospice rates established under Medicare)

- FY17: 1.80% rate increase
- FY16: 3.94% rate increase
- FY15: 1.95% rate increase
- FY14: 2.25% rate increase
- FY13: 2.56% rate increase
- FY12: 2.81% rate increase

Additional Details

Routine Home Care Daily Rate Changes:

CMS issued a final rule that created two routine home care daily payment rates. There is one rate for the first 60 days of care and another rate for care beyond 60 days. The new routine home care policy is effective for dates of service on or after January 1, 2016. Effective for dates of service on or after January 1, 2016, the federal rule also established a new payment rate called the Service Intensity Add-on (SIA). This payment will be made for a visit by a social worker or a registered nurse (RN) when provided during routine home care in the last seven days of a patient's life. The SIA payment is in addition to the routine home care rate. The SIA payment will be equal to the Continuous Home Care hourly rate multiplied by the hours of nursing or social work provided (up to four hours total) on each date of service. The SIA payment is only for those social worker and RN services provided during an in-person visit and does not apply to phone visits.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.480

Program Name: Rehab and Specialty Services

Program is found in the following core budget(s): Rehab and Specialty Services

DME Prior Authorization Considerations:

Even though a DME item may serve some useful medical purpose, consideration must be given by the physician and the DME supplier to what extent, if any, it is reasonable for MO HealthNet to pay for the item as opposed to another realistically feasible alternative pattern of care. Consideration should also be given by the physician and the DME provider as to whether the item serves essentially the same purpose as equipment already available to the participant. If two different items each meet the need of the participant, the less expensive item must be employed with all other conditions being equal. Equipment features of an aesthetic or medical nature which are not medically necessary are not reimbursable.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152; Federal law: Social Security Act Section 1905(a)(12) and (18), 1905(o); Federal regulation: 42 CFR 410.40, 418, 431.53, 440.60, 440.120, 440.130 and 440.170.

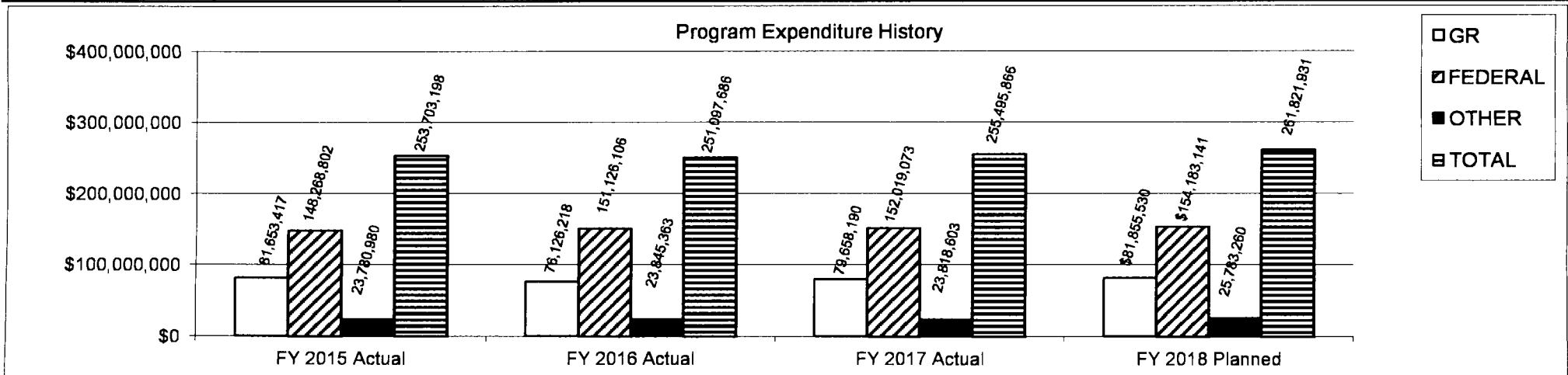
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY18 is blended at a 64.260% federal match. The state matching requirement is 35.740%.

4. Is this a federally mandated program? If yes, please explain.

This program is not mandatory for adults but is mandatory for children.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2018 planned is net of reverted, restricted and reserve.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.480

Program Name: Rehab and Specialty Services

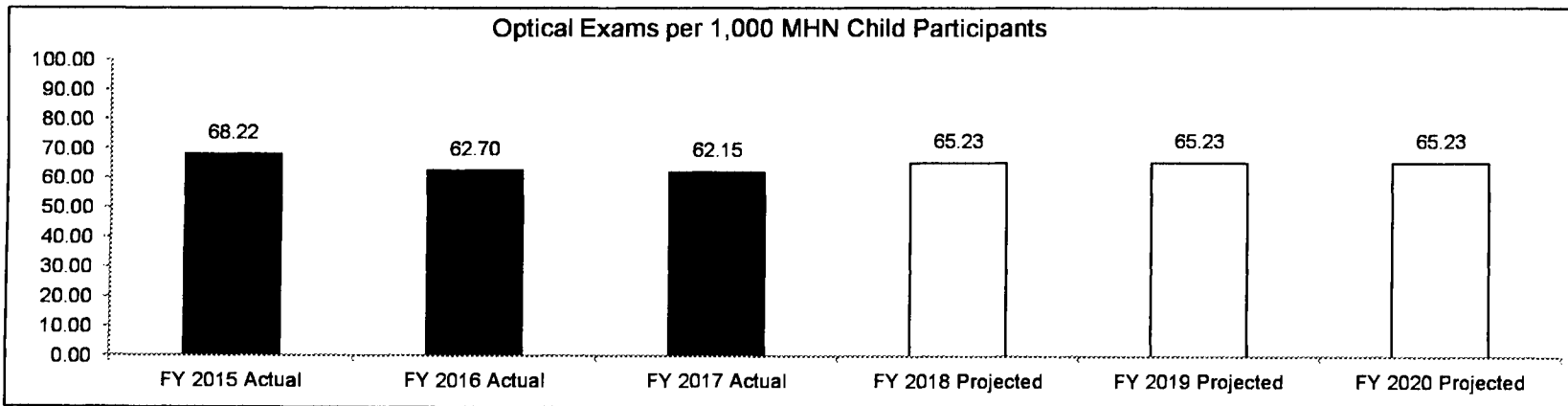
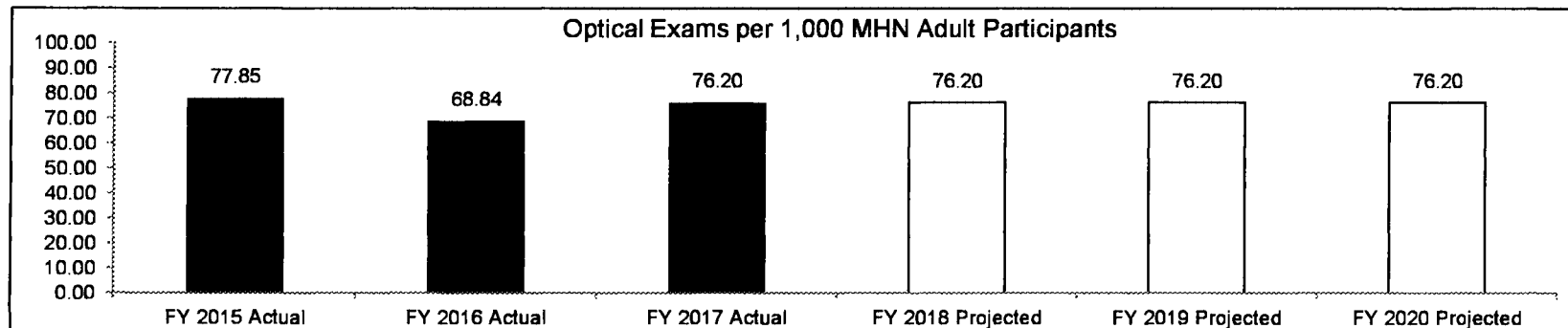
Program is found in the following core budget(s): Rehab and Specialty Services

6. What are the sources of the "Other" funds?

Health Initiatives Fund (0275), Healthy Families Trust Fund (0625), Nursing Facility Reimbursement Allowance (0196), Ambulance Service Reimbursement Allowance Fund (0958)

7a. Provide an effectiveness measure.

Provide optical exams to MO HealthNet eligibles. Children and adults who are pregnant, blind, or in a nursing facility (including ICF/IDD) are eligible for an eye exam every twelve months. All other adults are eligible for one eye exam every twenty-four months. In state fiscal year 2017, there were over 76 optical examinations for every 1,000 adults, and over 62 optical examinations for every 1,000 children.



PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.480

Program Name: Rehab and Specialty Services

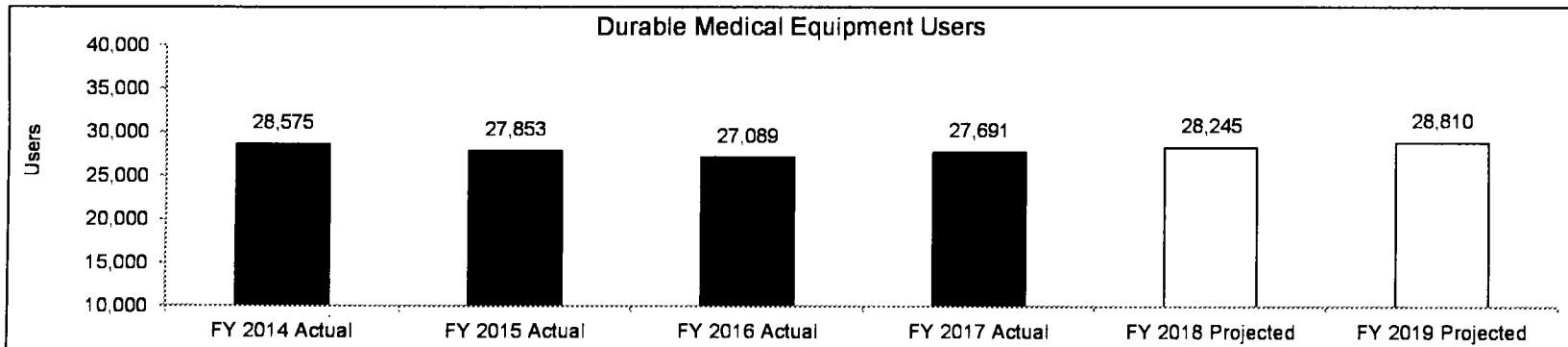
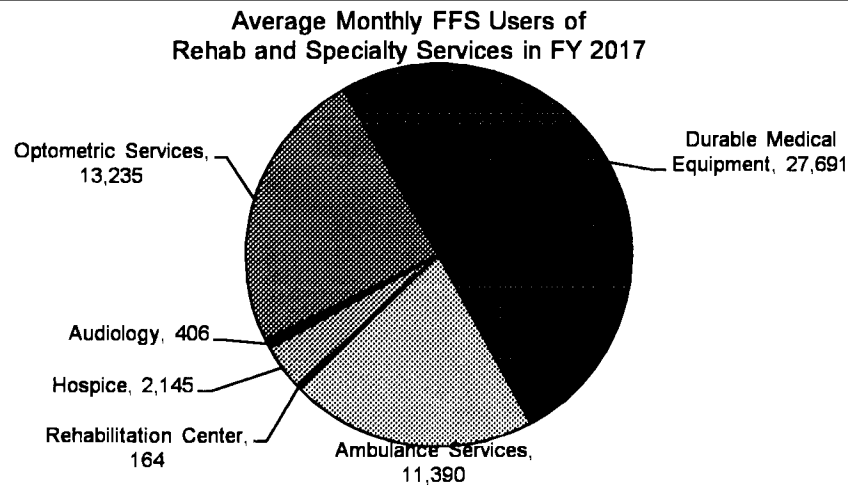
Program is found in the following core budget(s): Rehab and Specialty Services

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

In regions of the state with access to MO HealthNet Managed Care, Rehab and Specialty services are available through the MO HealthNet Managed Care health plans for those populations enrolled in Managed Care.



7d. Provide a customer satisfaction measure, if available.

N/A

NEW DECISION ITEM

RANK: 15 OF 22

Department: Social Services
 Division: MO HealthNet
 DI Name: Hospice Rate Increase DI# 1886010

Budget Unit: 90550C
 HB Section: 11.485

1. AMOUNT OF REQUEST

| FY 2019 Budget Request | | | | |
|------------------------|----------------|----------------|-------------|----------------|
| | GR | Federal | Other | Total |
| PS | 0 | 0 | 0 | 0 |
| EE | 0 | 0 | 0 | 0 |
| PSD | 105,373 | 192,373 | 0 | 297,746 |
| TRF | 0 | 0 | 0 | 0 |
| Total | 105,373 | 192,373 | 0 | 297,746 |
| | | | | |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 |

| | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| <i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i> | | | | |

Other Funds: N/A

| FY 2019 Governor's Recommendation | | | | |
|-----------------------------------|-------------|-------------|-------------|-------------|
| | GR | Federal | Other | Total |
| PS | 0 | 0 | 0 | 0 |
| EE | 0 | 0 | 0 | 0 |
| PSD | 0 | 0 | 0 | 0 |
| TRF | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 |
| | | | | |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 |

| | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| <i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i> | | | | |

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

| | | |
|-----------------------------------------------------|------------------------------------------------------|------------------------------------------------|
| <input checked="" type="checkbox"/> New Legislation | <input type="checkbox"/> New Program | <input type="checkbox"/> Fund Switch |
| <input checked="" type="checkbox"/> Federal Mandate | <input type="checkbox"/> Program Expansion | <input type="checkbox"/> Cost to Continue |
| <input type="checkbox"/> GR Pick-Up | <input type="checkbox"/> Space Request | <input type="checkbox"/> Equipment Replacement |
| <input type="checkbox"/> Pay Plan | <input checked="" type="checkbox"/> Other: Inflation | |

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is needed to apply the annual hospice rate increase as established by Medicare.

The MO HealthNet hospice rates are calculated based on the annual hospice rates established under Medicare, Section 1814(j)(1)(ii). The Act provides for an annual increase in payment rates for hospice care services.

NEW DECISION ITEM

RANK: 15 **OF** 22

Department: Social Services
Division: MO HealthNet
DI Name: Hospice Rate Increase **DI#** 1886010

Budget Unit: 90550C

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

MO HealthNet reimbursement for hospice care is made at one of four predetermined rates for each day in which an individual is under the care of the hospice. The four levels of care are routine home care, continuous home care, inpatient respite care, or general inpatient care. The rate paid for any day may vary, depending on the level of care furnished. Payment rates are adjusted for regional differences in wages.

An increase of 2.50% is requested. An increase of 2.50% was applied to actual FFY 17 hospice payments to arrive at the total need.

| | Total | GR | Federal |
|-----------------------|----------------|-----------|----------------|
| Hospice rate increase | 297,746 | 105,373 | 192,373 |

FMAP 64.61%

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

| Budget Object Class/Job Class | Dept Req GR DOLLARS | Dept Req GR FTE | Dept Req FED DOLLARS | Dept Req FED FTE | Dept Req OTHER DOLLARS | Dept Req OTHER FTE | Dept Req TOTAL DOLLARS | Dept Req TOTAL FTE | Dept Req One-Time DOLLARS | E |
|--------------------------------------|------------------------------------|----------------------------|-------------------------------------|-----------------------------|---------------------------------------|-----------------------------------|---------------------------------------|-------------------------------|------------------------------------------|----------|
| Program Distributions | 105,373 | | 192,373 | | | | 297,746 | | | |
| Total PSD | 105,373 | | 192,373 | | 0 | | 297,746 | | 0 | |
| Grand Total | 105,373 | 0.0 | 192,373 | 0.0 | 0 | 0.0 | 297,746 | 0.0 | 0 | |

NEW DECISION ITEM
RANK: 15 OF 22

Department: Social Services
Division: MO HealthNet
DI Name: Hospice Rate Increase DI# 1886010

Budget Unit 90550C

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

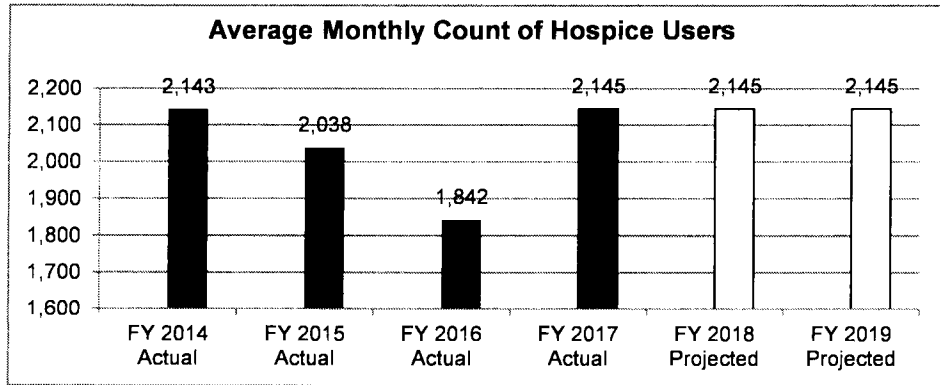
6a. Provide an effectiveness measure.

N/A

6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.



6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|---------------------------------|---------|---------|---------|---------|-----------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| REHAB AND SPECIALTY SERVICES | | | | | | | | |
| Hospice Rate Increase - 1886010 | | | | | | | | |
| PROGRAM DISTRIBUTIONS | 0 | 0.00 | 0 | 0.00 | 297,746 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 297,746 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$0 | 0.00 | \$0 | 0.00 | \$297,746 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$0 | 0.00 | \$0 | 0.00 | \$105,373 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$192,373 | 0.00 | | 0.00 |
| OTHER FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |

NEMT

CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: Non-Emergency Medical Transportation (NEMT)

Budget Unit: 90561C
 HB Section: 11.480

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | FY 2019 Governor's Recommendation | | | | | | |
|---------------------------------------------------------------------------------------------------------------------------------|------------|------------|-------|------------|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------|----|---------|-------|-------|---|
| | GR | Federal | Other | Total | E | | GR | Federal | Other | Total | E |
| PS | | | | | | PS | | | | | |
| EE | | | | | | EE | | | | | |
| PSD | 13,752,044 | 34,509,279 | | 48,261,323 | | PSD | | | | 0 | |
| TRF | | | | | | TRF | | | | | |
| Total | 13,752,044 | 34,509,279 | | 48,261,323 | | Total | | | | 0 | |
| FTE | | | | 0.00 | | FTE | | | | 0.00 | |
| Est. Fringe | 0 | 0 | 0 | 0 | | Est. Fringe | 0 | 0 | 0 | 0 | |
| Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation. | | | | | | Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation. | | | | | |

Other Funds N/A

Other Funds:

2. CORE DESCRIPTION

This core request is to provide funding for payments for non-emergency medical transportation (NEMT) for the fee-for-service program.

3. PROGRAM LISTING (list programs included in this core funding)

Non-Emergency Medical Transportation (NEMT)

CORE DECISION ITEM

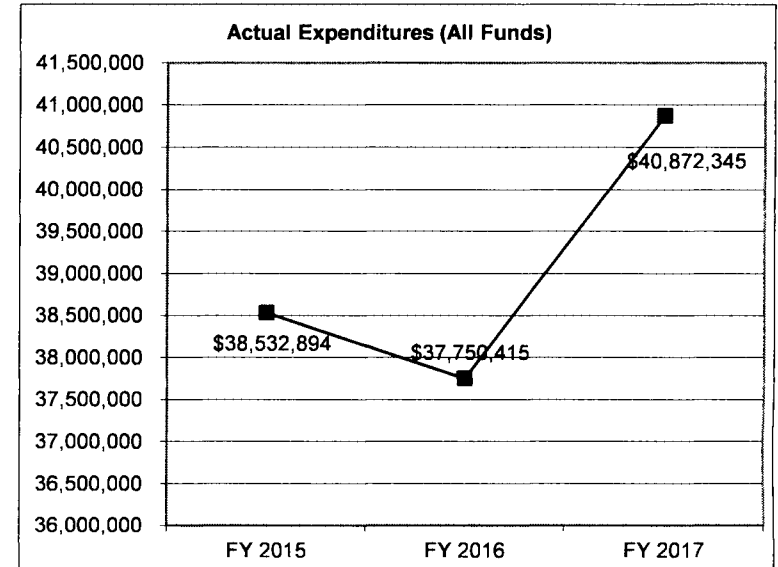
Department: Social Services
Division: MO HealthNet
Core: Non-Emergency Medical Transportation (NEMT)

Budget Unit: 90561C

HB Section: 11.480

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds) | 40,925,194 | 43,757,238 | 46,604,497 | 47,032,706 |
| Less Reverted (All Funds) | 0 | 0 | 0 | N/A |
| Less Restricted (All Funds) | 0 | 0 | 0 | N/A |
| Budget Authority (All Funds) | 40,925,194 | 43,757,238 | 46,604,497 | N/A |
| Actual Expenditures (All Funds) | 38,532,894 | 37,750,415 | 40,872,345 | N/A |
| Unexpended (All Funds) | 2,392,300 | 6,006,823 | 5,732,152 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 0 | 4,553 | 1,773,049 | N/A |
| Federal | 2,392,300 | 6,002,270 | 3,959,103 | N/A |
| Other | 0 | 0 | 0 | N/A |
| | | (1) | | |



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY16 \$2,509,258 in NEMT expenditures were paid from the Managed Care Expansion section.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES NON-EMERGENCY TRANSPORT

5. CORE RECONCILIATION DETAIL

| | | | | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|------|------|----|-----------------|-------------|-------------------|-------------------|----------|-------------------|----------------------|
| TAFP AFTER VETOES | | | | | | | | | | |
| | | | | PD | 0.00 | 13,297,060 | 33,735,646 | 0 | 47,032,706 | |
| | | | | Total | 0.00 | 13,297,060 | 33,735,646 | 0 | 47,032,706 | |
| DEPARTMENT CORE ADJUSTMENTS | | | | | | | | | | |
| Transfer In | 1661 | 5929 | PD | 0.00 | | 0 | 773,633 | 0 | 773,633 | NEMT trf in from DMH |
| Transfer In | 1661 | 5928 | PD | 0.00 | | 454,984 | 0 | 0 | 454,984 | NEMT trf in from DMH |
| NET DEPARTMENT CHANGES | | | | | 0.00 | 454,984 | 773,633 | 0 | 1,228,617 | |
| DEPARTMENT CORE REQUEST | | | | | | | | | | |
| | | | | PD | 0.00 | 13,752,044 | 34,509,279 | 0 | 48,261,323 | |
| | | | | Total | 0.00 | 13,752,044 | 34,509,279 | 0 | 48,261,323 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | | | | |
| | | | | PD | 0.00 | 13,752,044 | 34,509,279 | 0 | 48,261,323 | |
| | | | | Total | 0.00 | 13,752,044 | 34,509,279 | 0 | 48,261,323 | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | | |
|----------------------------------------------|-------------------|-------------|-------------------|-------------|-------------------|-------------|----------|-------------|--|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** | |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED | |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN | |
| NON-EMERGENCY TRANSPORT | | | | | | | | | |
| CORE | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 13,853,534 | 0.00 | 13,297,060 | 0.00 | 13,752,044 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 27,018,812 | 0.00 | 33,735,646 | 0.00 | 34,509,279 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 40,872,346 | 0.00 | 47,032,706 | 0.00 | 48,261,323 | 0.00 | 0 | 0.00 | |
| TOTAL | 40,872,346 | 0.00 | 47,032,706 | 0.00 | 48,261,323 | 0.00 | 0 | 0.00 | |
| Year 1 Asset Limit CTC - 0000016 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 157,030 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 282,337 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 439,367 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 439,367 | 0.00 | 0 | 0.00 | |
| Year 2 Asset Limit Increase - 0000017 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 59,171 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 106,389 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 165,560 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 165,560 | 0.00 | 0 | 0.00 | |
| MHD COST TO CONTINUE - 1886001 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 316,687 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 316,687 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 316,687 | 0.00 | 0 | 0.00 | |
| NEMT Increase - 1886004 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 789,522 | 0.00 | 0 | 0.00 | |

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DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|--------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|------------|-------------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| NON-EMERGENCY TRANSPORT | | | | | | | | |
| NEMT Increase - 1886004 | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 1,419,550 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 2,209,072 | 0.00 | 0 | 0.00 |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 2,209,072 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$40,872,346 | 0.00 | \$47,032,706 | 0.00 | \$51,392,009 | 0.00 | \$0 | 0.00 |

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FLEXIBILITY REQUEST FORM

| | |
|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| BUDGET UNIT NUMBER: 90561C BUDGET UNIT NAME: Non-Emergency Med Transport HOUSE BILL SECTION: 11.480 | DEPARTMENT: Social Services DIVISION: MO HealthNet |
|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

Department Request

| | | |
|---------------|---------------|--------------------|
| Total | % Flex | Flex Amount |
| \$ 51,392,009 | 10% | \$ 5,139,201 |

Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.505, 11.510, 11.555, 11.560, and 11.600.

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

| PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED | CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED | BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED |
|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|
| None | HB11 language allows up to 10% flexibility between 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.510, 11.555, and 11.600 | 10% flexibility is being requested for FY19 |

3. Please explain how flexibility was used in the prior and/or current years.

| PRIOR YEAR EXPLAIN ACTUAL USE | CURRENT YEAR EXPLAIN PLANNED USE |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| N/A | Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program. |

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|-------------------------|--------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| NON-EMERGENCY TRANSPORT | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM DISTRIBUTIONS | 40,872,346 | 0.00 | 47,032,706 | 0.00 | 48,261,323 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 40,872,346 | 0.00 | 47,032,706 | 0.00 | 48,261,323 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$40,872,346 | 0.00 | \$47,032,706 | 0.00 | \$48,261,323 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$13,853,534 | 0.00 | \$13,297,060 | 0.00 | \$13,752,044 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$27,018,812 | 0.00 | \$33,735,646 | 0.00 | \$34,509,279 | 0.00 | | 0.00 |
| OTHER FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.480

Program Name: Non-Emergency Medical Transportation (NEMT)

Program is found in the following core budget(s): Non-Emergency Medical Transportation (NEMT)

1a. What strategic priority does this program address?

Provide non-emergency medical transportation

1b. What does this program do?

Program Statistics

While NEMT fee-for-service participants represent 25.4% of the total MO HealthNet participants, the NEMT program comprises 0.42% of the total Medicaid program dollars.

Program Goals

Provide non-emergency medical transportation to MO HealthNet fee-for-service participants to remove barriers and increase access to health care.

Program Objectives

The lack of transportation to needed MO HealthNet services is a barrier to improving participant health; therefore, the purpose of the NEMT program is to make non-emergency medical transportation available to MO HealthNet participants who may not have access to free, appropriate transportation (e.g. free community resources or other free programs) to scheduled MO HealthNet covered services. Missouri's NEMT program utilizes and builds on existing transportation networks within the state to provide the participant with the most appropriate mode of transportation.

Reimbursement Methodology

NEMT services are reimbursed in the fee-for-service and managed care settings. For managed care participants, NEMT services are reimbursed by MO HealthNet through the actuarially-sound capitated rate paid to the Managed Care Organizations (MCO's) and are not reimbursed under this line. *See Managed Care tab for more information.* As of November 2005, the service is provided to fee-for-service participants as a direct state plan service. The state contracts with a statewide broker and pays monthly capitation payments for each NEMT fee-for-service participant based on which of the four regions of the state in which the participant resides. Logisticare is Missouri's NEMT broker contract. The current contract was effective August 1, 2016 and will be eligible for renewal July 1, 2018.

Where appropriate and possible, the MO HealthNet Division enters into cooperative agreements to provide matching MO HealthNet funds for state and local general revenue already being used to transport MO HealthNet participants to medical services. Participants are required to use public entity transportation when available. When they do so, the payments are made to public entities on a per trip basis. By working with existing governmental entities and established transportation providers, NEMT is provided in a cost-effective manner and governmental agencies are able to meet the needs of their constituency.

The MO HealthNet Division works with state and local agencies to provide federal matching funds for general revenue used for NEMT services including: the Children's Division for children in state care and custody, St. Louis Metro Call-A-Ride, Kansas City Area Transit Authority, the City of Columbia, City Utilities of Springfield, Nevada City Hospital and the City of Jefferson.

Rate History

| <u>Region</u> | <u>FY 18 PMPM</u> |
|----------------------|-------------------|
| ABD St. Louis Area | \$12.98 |
| ABD Kansas City Area | \$9.29 |
| ABD Rest of State | \$15.10 |
| MAFCPW Statewide | \$1.09 |

*Participants-Age, Blind and Disabled (ABD); Medical Assistance for Families, Children and Pregnant Women (MAFCPW)

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.480

Program Name: Non-Emergency Medical Transportation (NEMT)

Program is found in the following core budget(s): Non-Emergency Medical Transportation (NEMT)

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, Federal regulation: 42 CFR 431.53 and 440.170

3. Are there federal matching requirements? If yes, please explain.

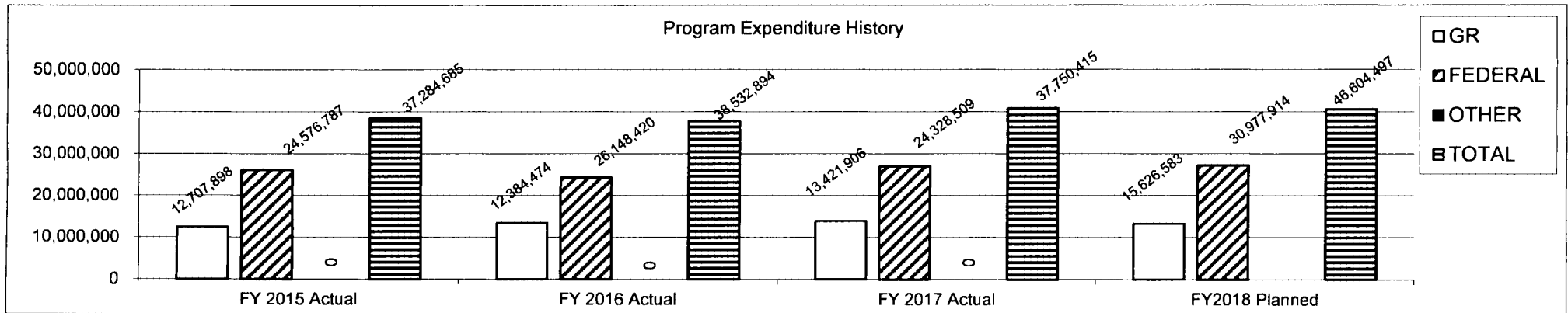
NEMT services receive a federal medical assistance percentage (FMAP) on program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY18 is a blended 64.260% federal match. The state matching requirement is 35.740%.

Services provided through public entities use state and local general revenue to transport MO HealthNet participants. MO HealthNet provides payment of the federal share for these services. These expenditures earn a 50% federal match.

4. Is this a federally mandated program? If yes, please explain.

Yes, state Medicaid programs must assure availability of medically necessary transportation.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other" funds?

N/A

PROGRAM DESCRIPTION

Department: Social Services

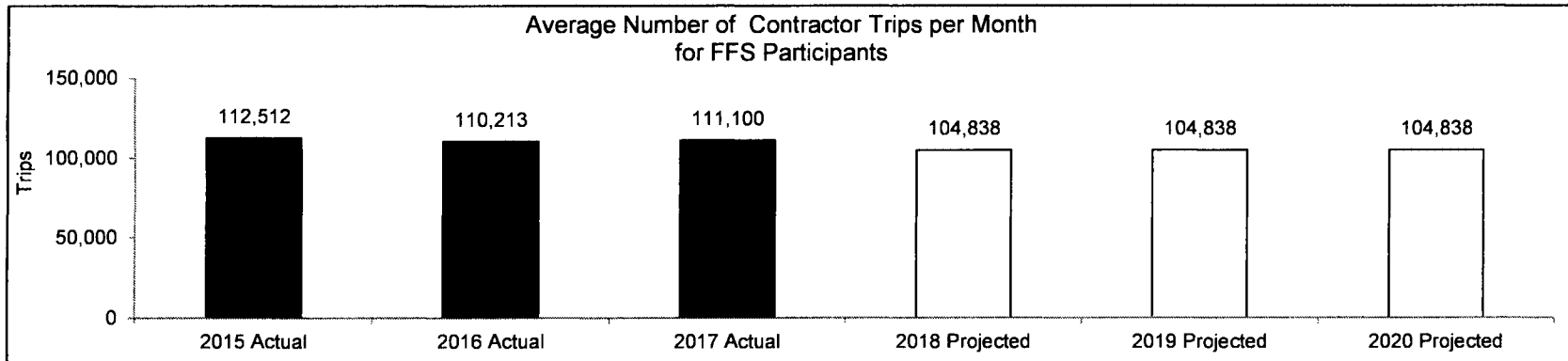
HB Section: 11.480

Program Name: Non-Emergency Medical Transportation (NEMT)

Program is found in the following core budget(s): Non-Emergency Medical Transportation (NEMT)

7a. Provide an effectiveness measure.

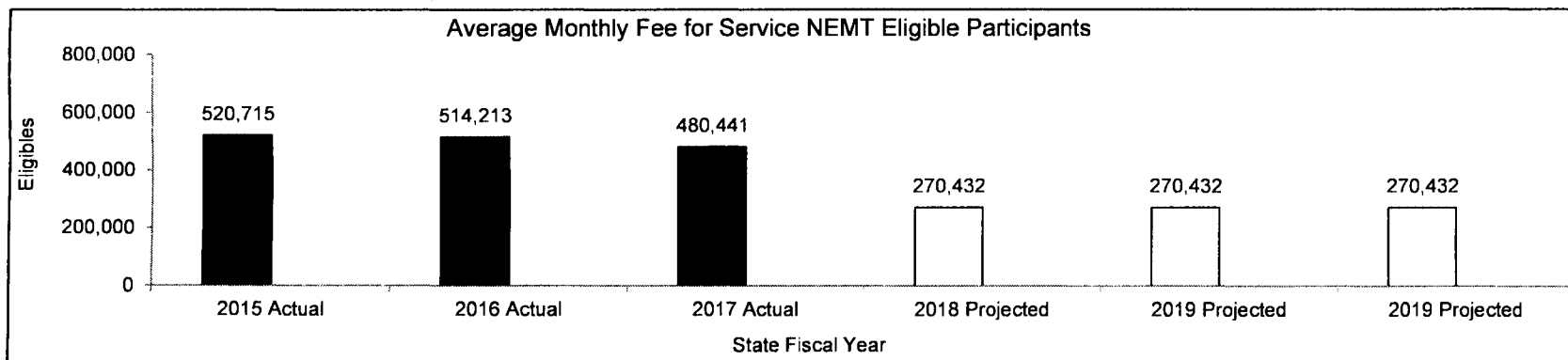
Provide non-emergency medical transportation to MO HealthNet participants to increase access to health care.



7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.



Non-emergency medical transportation is available to MO HealthNet participants who are eligible under a federal aid category. Those participating under a state only funded category or under a Title XXI expansion category are not eligible for NEMT services. Participants in Managed Care receive the NEMT benefit but are not included in the chart.

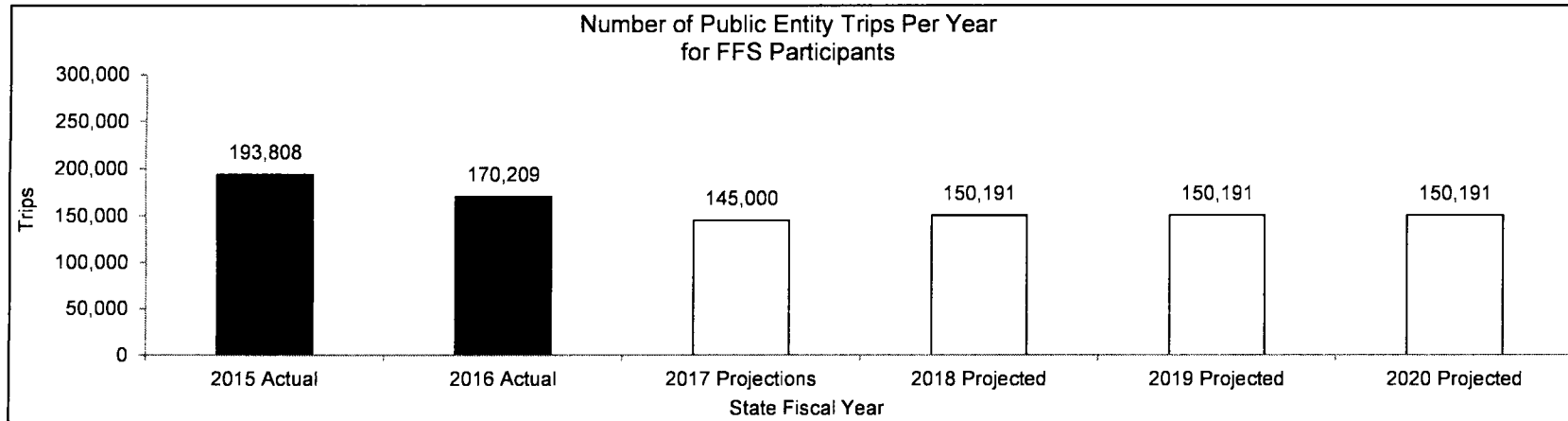
PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.480

Program Name: Non-Emergency Medical Transportation (NEMT)

Program is found in the following core budget(s): Non-Emergency Medical Transportation (NEMT)



Public entities have interagency agreements with the MO HealthNet Division to provide access to transportation services for a specific group of participants, such as dialysis patients, persons with disabilities, or the elderly. Public entities use state and local dollars to draw down the federal matching funds.

7d. Provide a customer satisfaction measure, if available.

The proportion of complaints to the number of trips provided by the contractor remains below 1%.

NEMT Complaint to Trip Ratio (Contractor Trips)

| | Actual | | | Projection | | |
|--------------|-----------|-----------|-----------|------------|-----------|-----------|
| | SFY 2015 | SFY 2016 | SFY 2017 | SFY 2018 | SFY 2019 | SFY 2020 |
| Trips | 1,350,139 | 1,322,565 | 1,333,198 | 1,258,069 | 1,258,069 | 1,258,069 |
| Complaints | 3,443 | 3,274 | 3,391 | 3,114 | 3,114 | 3,114 |
| % Complaints | <1% | <1% | <1% | <1% | <1% | <1% |

NEW DECISION ITEM
RANK: 12 OF 22

Department: Social Services
Division: MO HealthNet
DI Name: NEMT Increase **DI#** 1886004

Budget Unit: 90561C
HB Section: 11.485

1. AMOUNT OF REQUEST

| FY 2019 Budget Request | | | | | |
|------------------------|----------------|------------------|-------------|------------------|---|
| | GR | Federal | Other | Total | E |
| PS | 0 | 0 | 0 | 0 | |
| EE | 0 | 0 | 0 | 0 | |
| PSD | 789,522 | 1,419,550 | 0 | 2,209,072 | |
| TRF | 0 | 0 | 0 | 0 | |
| Total | 789,522 | 1,419,550 | 0 | 2,209,072 | |
| | | | | | |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 | |

| | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| <i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i> | | | | |

Other Funds: N/A

| FY 2019 Governor's Recommendation | | | | | |
|-----------------------------------|----|---------|-------|-------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | | | | | |
| TRF | | | | | |
| Total | | | | | |
| | | | | | |
| FTE | | | | | |

| | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| <i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i> | | | | |

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

| | | |
|------------------------------------------|---------------------------------------------------------------|------------------------------------------------|
| <input type="checkbox"/> New Legislation | <input type="checkbox"/> New Program | <input type="checkbox"/> Fund Switch |
| <input type="checkbox"/> Federal Mandate | <input type="checkbox"/> Program Expansion | <input type="checkbox"/> Cost to Continue |
| <input type="checkbox"/> GR Pick-Up | <input type="checkbox"/> Space Request | <input type="checkbox"/> Equipment Replacement |
| <input type="checkbox"/> Pay Plan | <input checked="" type="checkbox"/> Other: Actuarial Increase | |

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is needed for the cost increase of the new Non-Emergency Medical Transportation (NEMT) contract. The cost increase is attributed to the increase in SFY19 actuarially sound rates. This includes an increase to Department of Mental Health (DMH) service rates based on utilization, which are being transferred to MO HealthNet (MHD) in SFY19.

The purpose of the NEMT program is to ensure non-emergency medical transportation to MO HealthNet participants in the fee-for-service program who do not have access to free and appropriate transportation (can use free community resources or other free programs) to scheduled MO HealthNet covered services. The participant is to be provided with the most appropriate mode of transportation. The state contracts with a statewide broker and pays monthly capitation payments for each NEMT participant based on eligibility group and which of the four regions of the state the participant resides.

NEW DECISION ITEM

RANK: 12 OF 22

Department: Social Services

Division: MO HealthNet

DI Name: NEMT Increase DI# 1886004

Budget Unit 90561C

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

This is a 3.2% actuarial increase over FY18 rates related to increases in utilization and cost components. Also included is an increase to DMH service rates based on utilization, which are being transferred to MHD in SFY19.

| | |
|---------------------------------|--------------------|
| NEMT Actuarial Increase Need | \$1,297,291 |
| Additional DMH NEMT Utilization | \$911,781 |
| | \$2,209,072 |

| NEMT | Total | GR | Federal |
|------|--------------------|-----------|-------------|
| | \$2,209,072 | \$789,522 | \$1,419,550 |

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

| Budget Object Class/Job Class | Dept Req GR DOLLARS | Dept Req GR FTE | Dept Req FED DOLLARS | Dept Req FED FTE | Dept Req OTHER DOLLARS | Dept Req OTHER FTE | Dept Req TOTAL DOLLARS | Dept Req TOTAL FTE | Dept Req One-Time DOLLARS |
|-------------------------------|---------------------------|-----------------------|----------------------------|------------------------|------------------------------|--------------------------|------------------------------|--------------------------|---------------------------------|
| Program Distributions | 789,522 | | 1,419,550 | | | | 2,209,072 | | |
| Total PSD | 789,522 | | 1,419,550 | | 0 | | 2,209,072 | | 0 |
| Grand Total | 789,522 | 0.0 | 1,419,550 | 0.0 | 0 | 0.0 | 2,209,072 | 0.0 | 0 |

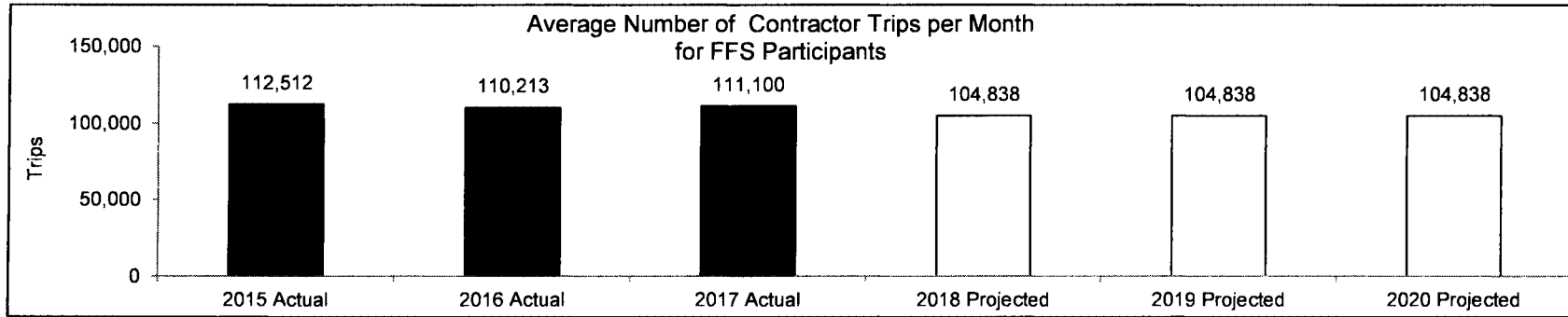
NEW DECISION ITEM
RANK: 12 OF 22

Department: Social Services
Division: MO HealthNet
DI Name: NEMT Increase **DI# 1886004**

Budget Unit 90561C

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

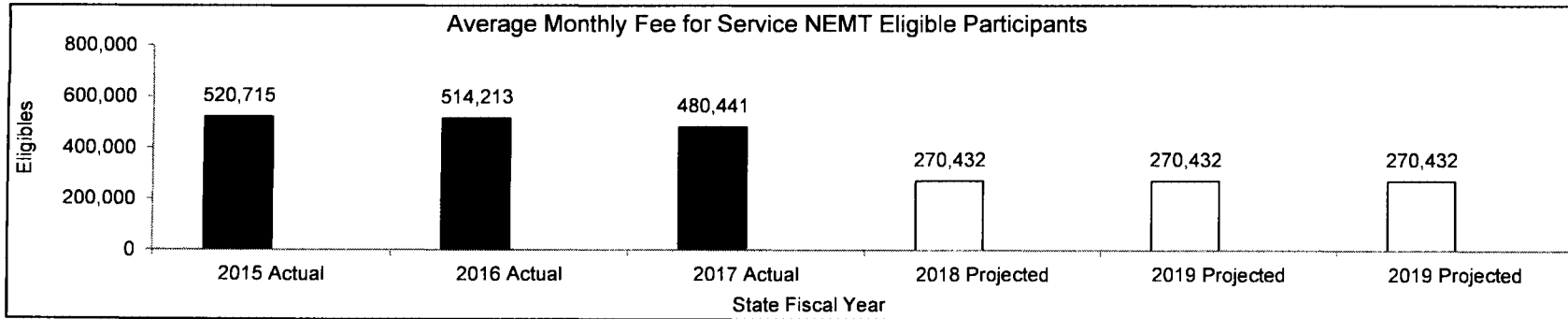


Provide non-emergency medical transportation (NEMT) to MO HealthNet participants to increase access to health care. There were 111,100 NEMT trips per month provided through the contractor in SFY 2017

6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.



Non-emergency medical transportation (NEMT) is available to MO HealthNet participants who are eligible under a federal aid category. Those participating under a state only funded category or under a Title XXI expansion category are not eligible for NEMT services. Participants in Managed Care receive the NEMT benefit but are not included in this chart.

NEW DECISION ITEM

RANK: 12 OF 22

Department: Social Services

Budget Unit 90561C

Division: MO HealthNet

DI Name: NEMT Increase

DI# 1886004

6d. Provide a customer satisfaction measure, if available.

NEMT Complaint to Trip Ratio (Contractor Trips)

| | Actual | | | Projection | | |
|---------------|-----------|-----------|-----------|------------|-----------|-----------|
| | SFY 2015 | SFY 2016 | SFY 2017 | SFY 2018 | SFY 2019 | SFY 2020 |
| Trips | 1,350,139 | 1,322,565 | 1,333,198 | 1,258,069 | 1,258,069 | 1,258,069 |
| Complaints | 3,443 | 3,274 | 3,391 | 3,114 | 3,114 | 3,114 |
| % Complaints* | <1% | <1% | <1% | <1% | <1% | <1% |

*The proportion of complaints to the number of trips provided by the contractor remains below 1%.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|--------------------------------|------------|-------------|------------|-------------|--------------------|-------------|------------|-------------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| NON-EMERGENCY TRANSPORT | | | | | | | | |
| NEMT Increase - 1886004 | | | | | | | | |
| PROGRAM DISTRIBUTIONS | 0 | 0.00 | 0 | 0.00 | 2,209,072 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 2,209,072 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$0 | 0.00 | \$0 | 0.00 | \$2,209,072 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$0 | 0.00 | \$0 | 0.00 | \$789,522 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$1,419,550 | 0.00 | | 0.00 |
| OTHER FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |

Community Health Access Programs (CHAPS)

CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: Community Health Access Programs (CHAPs)

Budget Unit: 90579C
 HB Section: 11.480

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | |
|------------------------|---------|---------|-------|-----------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | 500,000 | 898,993 | 0 | 1,398,993 | |
| TRF | | | | | |
| Total | 500,000 | 898,993 | 0 | 1,398,993 | |
| FTE | | | | 0.00 | |

| | | | | |
|---------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation. | | | | |

Other Funds: N/A

| FY 2019 Governor's Recommendation | | | | | |
|-----------------------------------|----|---------|-------|-------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | | | | 0 | |
| TRF | | | | | |
| Total | | | | 0 | |
| FTE | | | | 0.00 | |

| | | | | |
|---------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation. | | | | |

Other Funds:

2. CORE DESCRIPTION

This item funds Community Health Access Programs (CHAPs). This specific appropriation funds a new procedure code which would reimburse paramedics for providing treatment on-site to a MO HealthNet participant who would otherwise be transported by ambulance to an emergency department.

3. PROGRAM LISTING (list programs included in this core funding)

Community Health Access Programs (CHAPs)

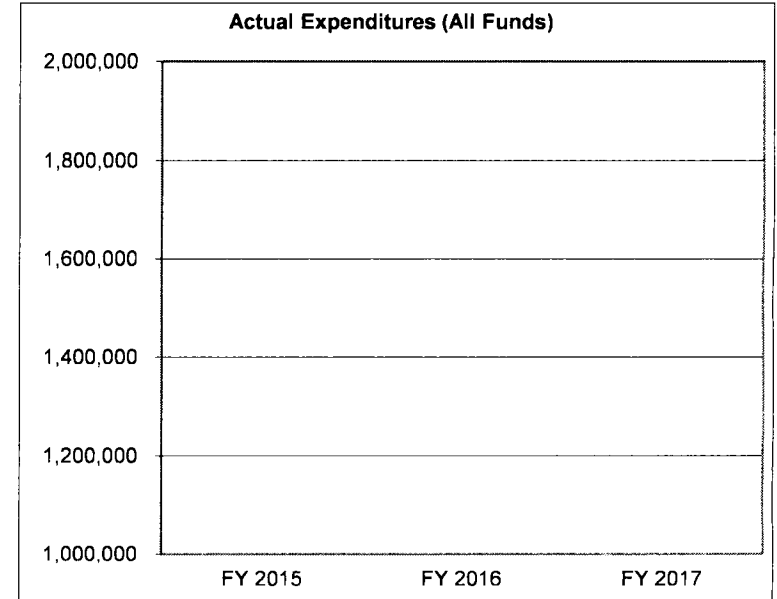
CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Community Health Access Programs (CHAPs)

Budget Unit: 90579C
HB Section: 11.480

1. CORE FINANCIAL SUMMARY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds) | 1,250,000 | 1,250,000 | 1,631,676 | 1,398,993 |
| Less Reverted (All Funds) | 0 | 0 | 0 | 0 |
| Less Restricted (All Funds)* | (1,250,000) | (1,250,000) | (600,000) | (500,000) |
| Budget Authority (All Funds) | 0 | 0 | 1,031,676 | 898,993 |
| Actual Expenditures (All Funds) | 0 | 0 | 0 | N/A |
| Unexpended (All Funds) | 0 | 0 | 1,031,676 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 0 | 1,250,000 | 600,000 | N/A |
| Federal | 0 | 0 | 1,031,676 | N/A |
| Other | 0 | 0 | 0 | N/A |



**Restricted amount is as of 9/23/17*

Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
COMMUNITY HEALTH ACCESS PRGRMS**

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-------------------------|-------------|----------------|----------------|--------------|------------------|--------------------|
| TAFP AFTER VETOES | | | | | | | |
| | PD | 0.00 | 500,000 | 898,993 | 0 | 1,398,993 | |
| | Total | 0.00 | 500,000 | 898,993 | 0 | 1,398,993 | |
| DEPARTMENT CORE REQUEST | | | | | | | |
| | PD | 0.00 | 500,000 | 898,993 | 0 | 1,398,993 | |
| | Total | 0.00 | 500,000 | 898,993 | 0 | 1,398,993 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | PD | 0.00 | 500,000 | 898,993 | 0 | 1,398,993 | |
| | Total | 0.00 | 500,000 | 898,993 | 0 | 1,398,993 | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|---------------------------------------|------------|-------------|--------------------|-------------|--------------------|-------------|------------|-------------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| COMMUNITY HEALTH ACCESS PRGRMS | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 500,000 | 0.00 | 500,000 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 898,993 | 0.00 | 898,993 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 1,398,993 | 0.00 | 1,398,993 | 0.00 | 0 | 0.00 |
| TOTAL | 0 | 0.00 | 1,398,993 | 0.00 | 1,398,993 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$0 | 0.00 | \$1,398,993 | 0.00 | \$1,398,993 | 0.00 | \$0 | 0.00 |

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DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|--------------------------------|---------|---------|-------------|---------|-------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| COMMUNITY HEALTH ACCESS PRGRMS | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM DISTRIBUTIONS | 0 | 0.00 | 1,398,993 | 0.00 | 1,398,993 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 1,398,993 | 0.00 | 1,398,993 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$0 | 0.00 | \$1,398,993 | 0.00 | \$1,398,993 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$0 | 0.00 | \$500,000 | 0.00 | \$500,000 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$0 | 0.00 | \$898,993 | 0.00 | \$898,993 | 0.00 | | 0.00 |
| OTHER FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.480

Program Name: Community Health Access Programs (CHAPs)

Program is found in the following core budget(s): Community Health Access Programs (CHAPs)

1a. What strategic priority does this program address?

Onsite treatment by paramedics

1b. What does this program do?

This program funds a new procedure code which would reimburse paramedics for providing treatment on-site to a MO HealthNet participant who would otherwise be transported by ambulance to an emergency department.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Federal Regulations: 42 CFR, 447.272

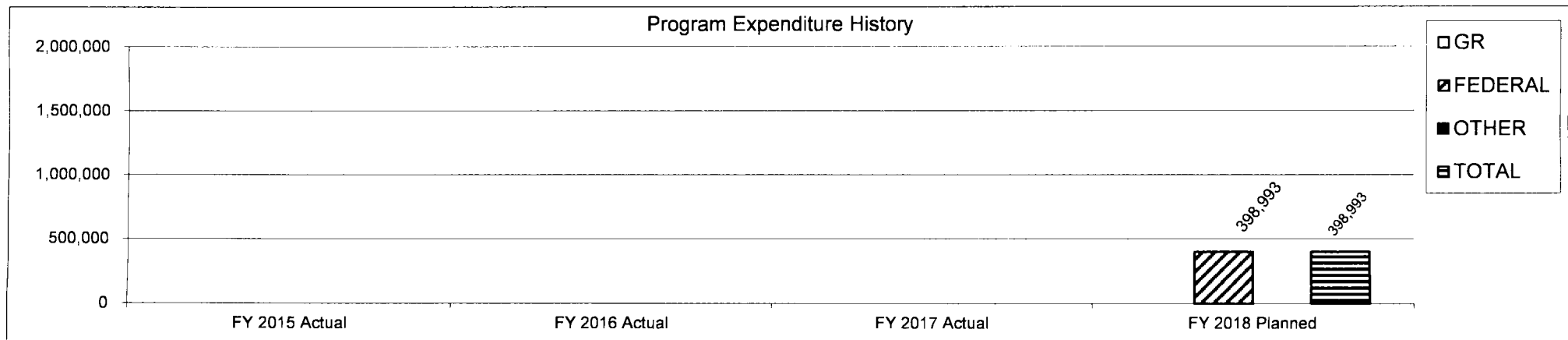
3. Are there federal matching requirements? If yes, please explain.

There are federal matching requirements for allowable Medicaid expenses.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2018 planned is net of restricted and reserve.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.480

Program Name: Community Health Access Programs (CHAPs)

Program is found in the following core budget(s): Community Health Access Programs (CHAPs)

6. What are the sources of the "Other " funds?

N/A

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

GEMT

CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: Ground Emergency Medical Transportation (GEMT)

Budget Unit: 90588C
 HB Section: 11.485

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | |
|------------------------|----|------------|------------|------------|
| | GR | Federal | Other | Total |
| PS | | | | |
| EE | | | | |
| PSD | | 53,084,513 | 30,875,733 | 83,960,246 |
| TRF | | | | |
| Total | 0 | 53,084,513 | | 83,960,246 |
| FTE | | | | 0.00 |

| | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| <i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i> | | | | |

Other Funds: Ground Emergency Medical Transportation (0422)

| FY 2019 Governor's Recommendation | | | | |
|-----------------------------------|----|---------|-------|-------|
| | GR | Federal | Other | Total |
| PS | | | | |
| EE | | | | |
| PSD | | | | 0 |
| TRF | | | | |
| Total | 0 | 0 | | 0 |
| FTE | | | | 0.00 |

| | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| <i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i> | | | | |

Other Funds:

2. CORE DESCRIPTION

This core request is to provide funding for payments for ground emergency medical transportation (GEMT) for the fee-for-service program.

3. PROGRAM LISTING (list programs included in this core funding)

Ground Emergency Medical Transportation (GEMT)

CORE DECISION ITEM

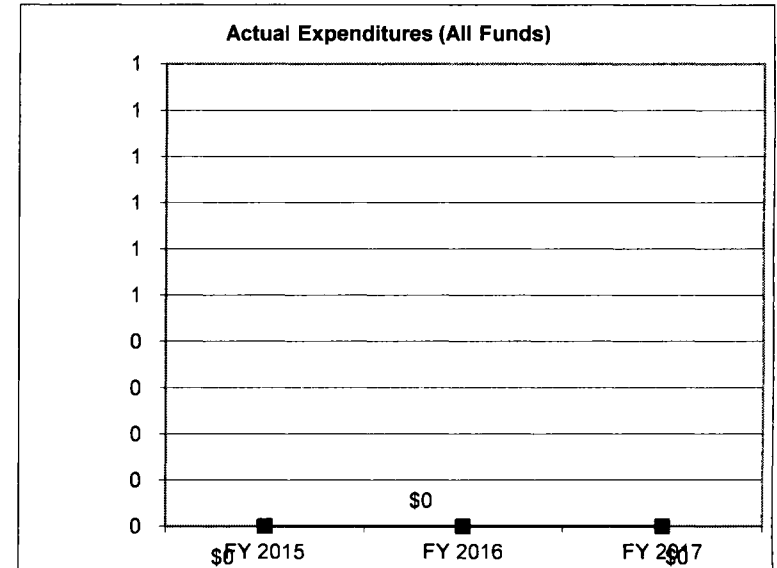
Department: Social Services
Division: MO HealthNet
Core: Ground Emergency Medical Transportation (GEMT)

Budget Unit: 90588C

HB Section: 11.480

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds) | 0 | 0 | 0 | 83,960,246 |
| Less Reverted (All Funds) | 0 | 0 | 0 | 0 |
| Less Restricted (All Funds) | 0 | 0 | 0 | 0 |
| Budget Authority (All Funds) | 0 | 0 | 0 | 83,960,246 |
| Actual Expenditures (All Funds) | 0 | 0 | 0 | N/A |
| Unexpended (All Funds) | 0 | 0 | 0 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 0 | 0 | 0 | N/A |
| Federal | 0 | 0 | 0 | N/A |
| Other | 0 | 0 | 0 | N/A |



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES GROUND EMER MED TRANSPORT

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-----------------|-------------|----------|-------------------|-------------------|-------------------|-------------|
| TAFP AFTER VETOES | | | | | | | |
| | PD | 0.00 | 0 | 53,084,513 | 30,875,733 | 83,960,246 | |
| | Total | 0.00 | 0 | 53,084,513 | 30,875,733 | 83,960,246 | |
| DEPARTMENT CORE REQUEST | | | | | | | |
| | PD | 0.00 | 0 | 53,084,513 | 30,875,733 | 83,960,246 | |
| | Total | 0.00 | 0 | 53,084,513 | 30,875,733 | 83,960,246 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | PD | 0.00 | 0 | 53,084,513 | 30,875,733 | 83,960,246 | |
| | Total | 0.00 | 0 | 53,084,513 | 30,875,733 | 83,960,246 | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | | |
|----------------------------------|------------|-------------|---------------------|-------------|---------------------|-------------|------------|-------------|--|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** | |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED | |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN | |
| GROUND EMER MED TRANSPORT | | | | | | | | | |
| CORE | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 53,084,513 | 0.00 | 53,084,513 | 0.00 | 0 | 0.00 | |
| GROUND EMERG MEDICAL TRANSPRT | 0 | 0.00 | 30,875,733 | 0.00 | 30,875,733 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 83,960,246 | 0.00 | 83,960,246 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 83,960,246 | 0.00 | 83,960,246 | 0.00 | 0 | 0.00 | |
| GRAND TOTAL | \$0 | 0.00 | \$83,960,246 | 0.00 | \$83,960,246 | 0.00 | \$0 | 0.00 | |

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DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|---------------------------|---------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| GROUND EMER MED TRANSPORT | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM DISTRIBUTIONS | 0 | 0.00 | 83,960,246 | 0.00 | 83,960,246 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 83,960,246 | 0.00 | 83,960,246 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$0 | 0.00 | \$83,960,246 | 0.00 | \$83,960,246 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$0 | 0.00 | \$53,084,513 | 0.00 | \$53,084,513 | 0.00 | | 0.00 |
| OTHER FUNDS | \$0 | 0.00 | \$30,875,733 | 0.00 | \$30,875,733 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.485

Program Name: Ground Emergency Medical Transportation (GEMT)

Program is found in the following core budget(s): Ground Emergency Medical Transportation (GEMT)

1a. What strategic priority does this program address?

Ensure ongoing ground emergency transportation

1b. What does this program do?

Program Description

The Ground Emergency Medical Transportation (GEMT) Program was authorized by Senate Bill 607 passed in 2016 by the 98th General Assembly. The GEMT program is a voluntary program that makes supplemental payments to eligible GEMT providers who furnish qualifying emergency ambulance services to Department of Social Services, MO HealthNet Division (hereafter referred to as MHD) participants. The supplemental payments are funded using an intergovernmental transfer (IGT) payment method.

Program Goals

The MO HealthNet Division will make supplemental payments to qualifying Ambulance providers up to the amount uncompensated by all other sources of reimbursement. Total reimbursement from MHD including the supplemental payment will not exceed one hundred percent of actual costs.

Program Objectives

To provide reasonable reimbursement for GEMT services to ensure an adequate supply of providers.

Reimbursement Methodology

Initial Cost Settlement

1. Each eligible GEMT provider must compute the annual cost in accordance with the Cost Determination Protocols and must submit the completed annual as-filed cost report, to the MHD within five (5) months after the close of the State's Fiscal Year (SFY).
2. The MHD will make initial cost settlement payments to eligible GEMT providers. The initial cost settlement payments for each provider is based on the provider's completed annual cost report in the format prescribed by the MHD and approved by CMS for the applicable cost reporting year.
3. To determine the GEMT payment rate, the MHD must use the most recently filed cost reports of all qualifying providers. The MHD will then determine an average cost per transport which will vary between the qualifying providers.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.485

Program Name: Ground Emergency Medical Transportation (GEMT)

Program is found in the following core budget(s): Ground Emergency Medical Transportation (GEMT)

Cost Settlement Process

1. The GEMT MO HealthNet Division payments and the number of transport data reported in the as-filed cost report will be reconciled to the MMIS reports generated for the cost reporting period within two (2) years of receipt of the as-filed cost report. The MHD will make adjustments to the as-filed cost report based on the reconciliation results of the most recently retrieved MMIS report.
2. Each provider will receive payments in an amount equal to the greater of the interim payment or the total CMS approved Medicaid-allowable costs for GEMT services.
3. If, at the end of the final reconciliation, it is determined that the GEMT provider has been overpaid, the provider will return the overpayment to the MHD and the MHD will return the overpayment to the federal government pursuant to section 433.316 of Title 42 of the Code of Federal Regulations. If an underpayment is determined, then the GEMT provider will receive a supplemental payment in the amount of the underpayment.

Other Considerations

1. Computation of allowable costs and their allocation methodology must be determined in accordance with the Centers for Medicare and Medicaid Services (CMS) Provider Reimbursement Manual (CMS Pub. 15-1) and 2 CFR Part 200, which establish principles and standards for determining allowable costs and the methodology for allocating and apportioning those expenses to the Medicaid program, except as expressly modified below.
2. Base payments to the GEMT providers for providing GEMT services are derived from the ambulance fee-for-service (FFS) fee schedule established for reimbursements payable by the MHD program by procedure code and other MHD reimbursements. The primary source of paid claims data and other MHD reimbursements is the Missouri Medicaid Management Information System (MMIS). The number of paid Medicaid FFS GEMT transports is derived from and supported by the MMIS reports for services during the applicable service period.
3. The total uncompensated care costs of each eligible GEMT provider available to be reimbursed under this supplemental reimbursement program will equal the shortfall resulting from the allowable costs determined using the Cost Determination Protocols for each eligible GEMT provider providing GEMT services to MHD participants, net of the amounts received and payable from the MHD program and all other sources of reimbursement for such services provided to MHD participants.

Rate History

The State Plan Amendment for this program is expected to be submitted by September 2017 and the program is expected to begin in FY 18.

| |
|--------------------------------------------------------------------------------------------------------------------------------------------------|
| 2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.) |
|--------------------------------------------------------------------------------------------------------------------------------------------------|

Senate Bill 607 passed by the 98th General Assembly in 2016.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.485

Program Name: Ground Emergency Medical Transportation (GEMT)

Program is found in the following core budget(s): Ground Emergency Medical Transportation (GEMT)

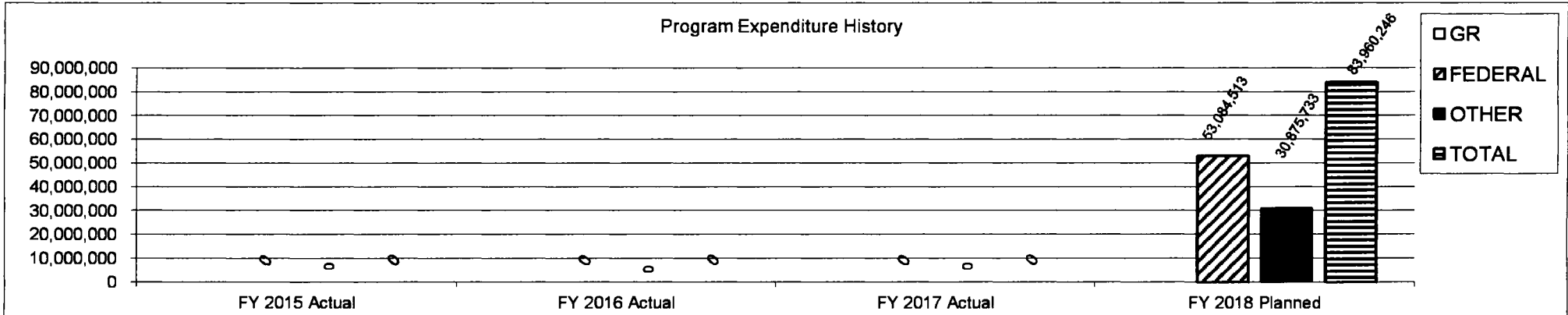
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY18 is a blended 64.260% federal match. The state matching requirement is 35.740%.

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other" funds?

Ground Emergency Medical Transportation Fund (0422)

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

Complex Rehab Technology

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Complex Rehab Technology

Budget Unit: 90577C

HB Section: 11.490

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | | FY 2019 Governor's Recommendation | | | | | |
|------------------------|-----------|-----------|-------|------------|---|-----------------------------------|----|---------|-------|-------|---|
| | GR | Federal | Other | Total | E | | GR | Federal | Other | Total | E |
| PS | | | | | | PS | | | | | |
| EE | | | | | | EE | | | | | |
| PSD | 4,184,510 | 7,563,641 | | 11,748,151 | | PSD | | | | 0 | |
| TRF | | | | | | TRF | | | | | |
| Total | 4,184,510 | 7,563,641 | 0 | 11,748,151 | | Total | 0 | 0 | | 0 | |
| FTE | | | | 0.00 | | FTE | | | | 0.00 | |

| | | | | |
|--------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|--------------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

| | | | | |
|--------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|--------------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A

Other Funds:

2. CORE DESCRIPTION

This core funds items classified within the Medicare program as durable medical equipment (DME) that are individually configured for individuals to meet their specific and unique medical, physical, and functional needs.

3. PROGRAM LISTING (list programs included in this core funding)

Complex Rehab Technology

CORE DECISION ITEM

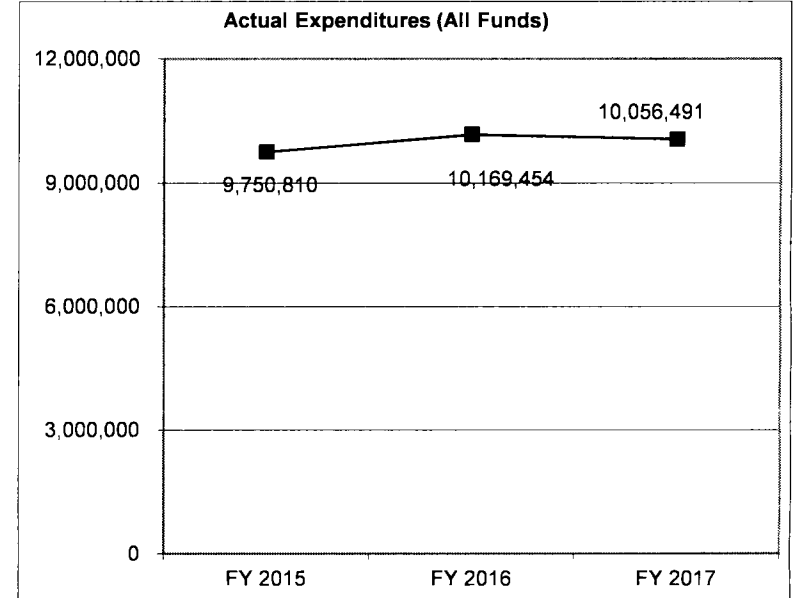
Department: Social Services
Division: MO HealthNet
Core: Complex Rehab Technology

Budget Unit: 90577C

HB Section: 11.490

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds) | 12,707,330 | 11,501,637 | 11,666,969 | 11,654,537 |
| Less Reverted (All Funds) | (114,420) | (125,319) | (125,352) | N/A |
| Less Restricted (All Funds) | 0 | 0 | 0 | N/A |
| Budget Authority (All Funds) | 12,592,910 | 11,376,318 | 11,541,617 | N/A |
| Actual Expenditures (All Funds) | 9,750,810 | 10,169,454 | 10,056,491 | N/A |
| Unexpended (All Funds) | 2,842,100 | 1,206,864 | 1,485,126 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 975,484 | 192,275 | 354,846 | N/A |
| Federal | 1,866,616 | 1,138,254 | 379,207 | N/A |
| Other | 0 | 1,654 | 0 | N/A |
| | (1) | | | |



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY15 Complex Rehab Technology was moved out of Rehab & Specialty Services

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES COMPLEX REHAB TECHN LGY PRDCTS

5. CORE RECONCILIATION DETAIL

| | | | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-----------|--------------|-----------------|-------------|------------------|------------------|----------|-------------------|---------------------------------|
| TAFP AFTER VETOES | | | | | | | | | |
| | | PD | | 0.00 | 4,166,960 | 7,487,577 | 0 | 11,654,537 | |
| | | Total | | 0.00 | 4,166,960 | 7,487,577 | 0 | 11,654,537 | |
| DEPARTMENT CORE ADJUSTMENTS | | | | | | | | | |
| Core Reallocation | 1654 8996 | PD | | 0.00 | 0 | 76,064 | 0 | 76,064 | MC lapse reall to Complex Rehab |
| Core Reallocation | 1654 8995 | PD | | 0.00 | 17,550 | 0 | 0 | 17,550 | MC lapse reall to Complex Rehab |
| NET DEPARTMENT CHANGES | | | | 0.00 | 17,550 | 76,064 | 0 | 93,614 | |
| DEPARTMENT CORE REQUEST | | | | | | | | | |
| | | PD | | 0.00 | 4,184,510 | 7,563,641 | 0 | 11,748,151 | |
| | | Total | | 0.00 | 4,184,510 | 7,563,641 | 0 | 11,748,151 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | | | |
| | | PD | | 0.00 | 4,184,510 | 7,563,641 | 0 | 11,748,151 | |
| | | Total | | 0.00 | 4,184,510 | 7,563,641 | 0 | 11,748,151 | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|----------------------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|------------|-------------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| COMPLEX REHAB TECHNLOGY PRDCTS | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 3,698,202 | 0.00 | 4,166,960 | 0.00 | 4,184,510 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 6,358,289 | 0.00 | 7,487,577 | 0.00 | 7,563,641 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 10,056,491 | 0.00 | 11,654,537 | 0.00 | 11,748,151 | 0.00 | 0 | 0.00 |
| TOTAL | 10,056,491 | 0.00 | 11,654,537 | 0.00 | 11,748,151 | 0.00 | 0 | 0.00 |
| Year 1 Asset Limit CTC - 0000016 | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 37,904 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 68,150 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 106,054 | 0.00 | 0 | 0.00 |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 106,054 | 0.00 | 0 | 0.00 |
| Year 2 Asset Limit Increase - 0000017 | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 14,283 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 25,680 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 39,963 | 0.00 | 0 | 0.00 |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 39,963 | 0.00 | 0 | 0.00 |
| MHD COST TO CONTINUE - 1886001 | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 54,415 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 55,694 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 110,109 | 0.00 | 0 | 0.00 |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 110,109 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$10,056,491 | 0.00 | \$11,654,537 | 0.00 | \$12,004,277 | 0.00 | \$0 | 0.00 |

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FLEXIBILITY REQUEST FORM

| | |
|-----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| BUDGET UNIT NUMBER: 90577C BUDGET UNIT NAME: Complex Rehab Technlgy Product HOUSE BILL SECTION: 11.490 | DEPARTMENT: Social Services DIVISION: MO HealthNet |
|-----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

Department Request

| | | |
|---------------|---------------|--------------------|
| Total | % Flex | Flex Amount |
| \$ 12,004,277 | 10% | \$ 1,200,428 |

Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.505, 11.510, 11.555, 11.560, and 11.600.

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

| PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED | CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED | BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED |
|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|
| \$751,073 | HB11 language allows up to 10% flexibility between 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.510, 11.555, and 11.600 | 10% flexibility is being requested for FY19 |

3. Please explain how flexibility was used in the prior and/or current years.

| PRIOR YEAR EXPLAIN ACTUAL USE | CURRENT YEAR EXPLAIN PLANNED USE |
|------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| Flexibility was utilized from Complex Rehab to Hospital in FY17. | Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program. |

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|----------------------------------|--------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| COMPLEX REHAB TECHNLOGY PRODUCTS | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM DISTRIBUTIONS | 10,056,491 | 0.00 | 11,654,537 | 0.00 | 11,748,151 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 10,056,491 | 0.00 | 11,654,537 | 0.00 | 11,748,151 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$10,056,491 | 0.00 | \$11,654,537 | 0.00 | \$11,748,151 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$3,698,202 | 0.00 | \$4,166,960 | 0.00 | \$4,184,510 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$6,358,289 | 0.00 | \$7,487,577 | 0.00 | \$7,563,641 | 0.00 | | 0.00 |
| OTHER FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.490

Program Name: Complex Rehab Technology

Program is found in the following core budget(s): Complex Rehab Technology

1a. What strategic priority does this program address?

Provide supportive mobility services

1b. What does this program do?

Program Description

The Complex Rehab Technology program includes items classified within the Medicare program as durable medical equipment (DME) that are individually configured for individuals to meet their specific and unique medical, physical, and functional capacities for basic and instrumental activities of daily living to prevent hospitalization and/or institutionalization of a patient with complex needs. Such items must be identified as medically necessary and include, but are not limited to, complex rehabilitation power wheelchairs, highly configurable manual wheelchairs, adaptive seating and positioning seats, and other specialized equipment such as standing frames and gait trainers.

Program Statistics

The Complex Rehab Technology program comprises 0.114% of the total Medicaid program dollars and provided 20,789 units of service in FY 2017. Prior to FY15, all DME items, including complex rehabilitation items, were included in the Rehab and Specialty Services appropriations.

Program Goals

To provide access to individually configured complex rehab durable medical equipment for complex needs patients to improve their abilities to perform basic and instrumental activities of daily living and to decrease the instances of hospitalization or institutionalization.

Program Objectives

- Improve the overall health of complex needs MO HealthNet participants through access to individually configured complex rehab durable medical equipment.
- Improve complex needs patients' their abilities to perform basic and instrumental activities of daily living.
- Ensure adequate supply of complex rehab durable medical equipment providers.

Reimbursement Methodology

Some complex DME items are reimbursed on a fee schedule although a few services are reimbursed manually, whereby each procedure or claim is priced individually by a medical consultant based on the unique circumstances of the case. Certain DME items require prior authorization because not all DME classified items may be covered in every instance. MO HealthNet reimbursement is only available if the item is reasonable and necessary for treatment of an illness or injury, or to improve the functioning of a malformed or permanently inoperative body part; meets the definition of durable medical equipment or prosthesis; and is used in the participant's home. *See the Rehab and Specialty Services tab for more information about DME prior authorization.*

Rate History

07/01/17: 3% rate decrease on complex rehab DME items with an established fee listed on the fee schedule. Manually priced wheelchairs and accessories remain at 90% of MSRP for manual and custom wheelchairs and 95% for power wheelchairs at this time.

07/01/16: ~2% rate increase on all DME services listed on the fee schedule

01/01/16: 1% rate increase on all DME services listed on the fee schedule (funded by the Tax Amnesty Fund)

07/01/15: Increase rates to 100% of the 04/01/10 Medicare fee schedule; manually priced wheelchairs and accessories increased to 90% of MSRP for manual and custom wheelchairs and 95% of MSRP for power wheelchairs. A portion of this increase was funded with the Tax Amnesty Fund.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.490

Program Name: Complex Rehab Technology

Program is found in the following core budget(s): Complex Rehab Technology

08/12/10: Decrease rates for all services except complex rehab item to 96.5% of the 01/01/10 Medicare fee schedule; oxygen reimbursement methodology revised to increase reimbursement of portable systems and decrease reimbursement of stationary systems.

04/15/10: Decrease rates to 100% of the 01/01/09 Medicare fee schedule; manually priced wheelchairs and accessories decreased to 80% of MSRP for manual and custom wheelchairs and 85% of MSRP for power wheelchairs; revised requirements for eligibility for nursing home wheelchairs to decrease costs.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152; Federal law: Social Security Act Section 1905(a)(12) and (18), 1905(o); Federal regulation: 42 CFR 410.40, 418, 431.53, 440.60, 440.120, 440.130 and 440.170.

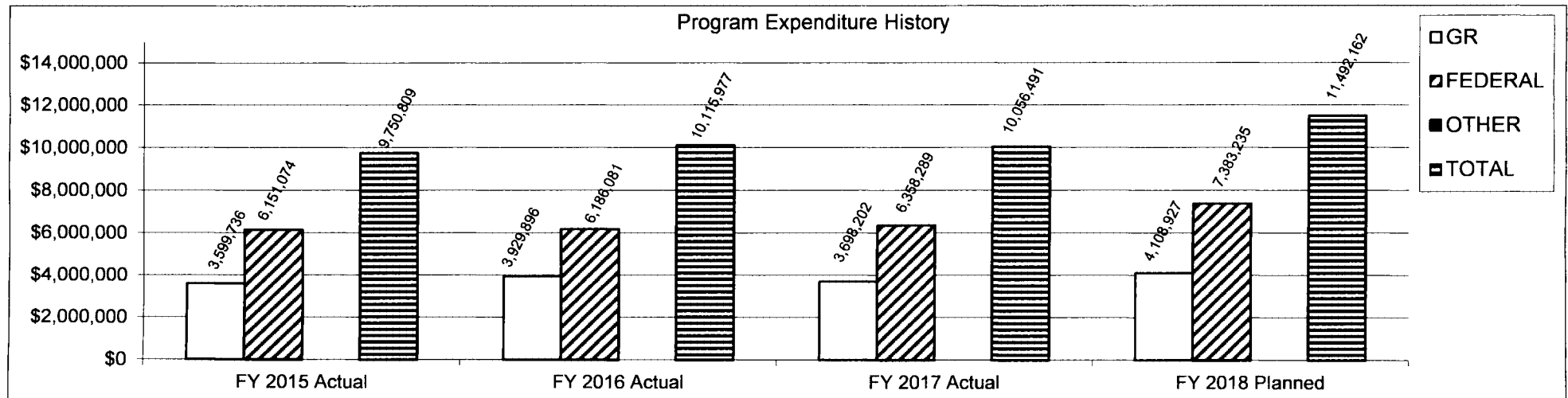
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY18 is blended at a 64.260% federal match. The state matching requirement is 35.740%.

4. Is this a federally mandated program? If yes, please explain.

This program is not mandatory for adults but is mandatory for children.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Prior to FY15, all DME items, including complex rehabilitation items, were included in the Rehab and Specialty Services appropriations.

FY 2018 Planned is net of restricted and reserve.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.490

Program Name: Complex Rehab Technology

Program is found in the following core budget(s): Complex Rehab Technology

6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

N/A

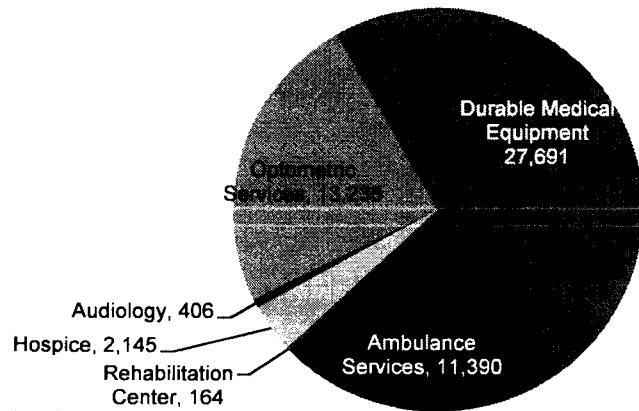
7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

In regions of the state with access to MO HealthNet Managed Care, complex rehab technology is available through the MO HealthNet Managed Care health plans for those populations enrolled in Managed Care.

Average Monthly FFS Users of
Rehab and Specialty Services in FY 2017



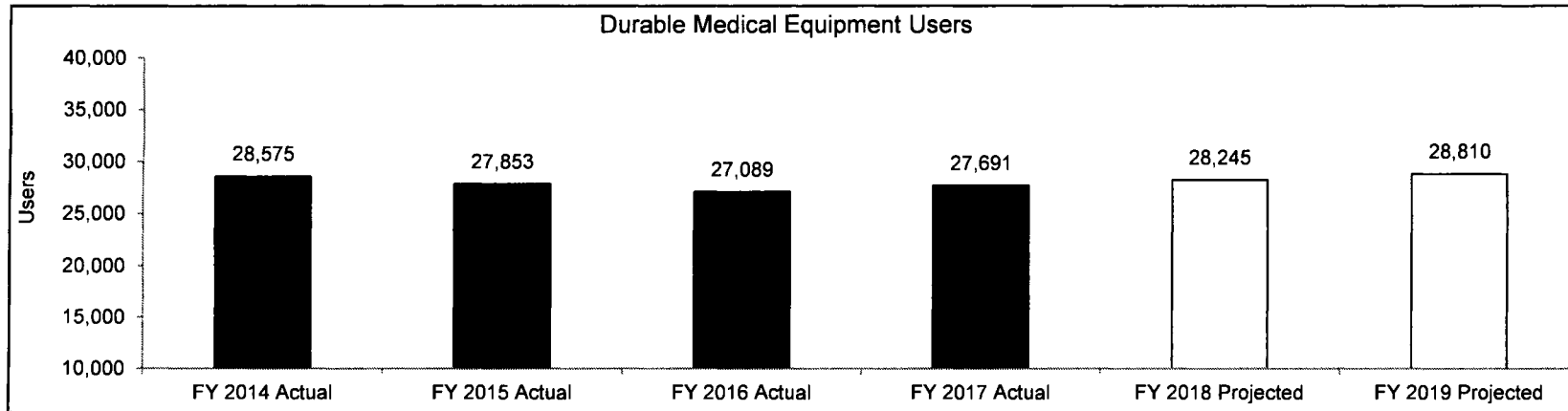
PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.490

Program Name: Complex Rehab Technology

Program is found in the following core budget(s): Complex Rehab Technology



7d. Provide a customer satisfaction measure, if available.

N/A

Managed Care

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Managed Care

Budget Unit: 90551C

HB Section: 11.505

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | | FY 2019 Governor's Recommendation | | | | | |
|------------------------|-------------|---------------|-------------|---------------|---|-----------------------------------|----|---------|-------|-------|---|
| | GR | Federal | Other | Total | E | | GR | Federal | Other | Total | E |
| PS | | | | | | PS | | | | | |
| EE | 1,050,000 | 1,050,000 | 2 | 2,100,002 | | EE | | | | | |
| PSD | 403,891,912 | 1,256,926,949 | 253,057,201 | 1,913,876,062 | | PSD | | | | 0 | |
| TRF | | | | | | TRF | | | | | |
| Total | 404,941,912 | 1,257,976,949 | 253,057,203 | 1,915,976,064 | | Total | | | | 0 | |
| FTE | | | | 0.00 | | FTE | | | | 0.00 | |

| | | | | |
|-------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|-------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

| | | | | |
|-------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|-------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiatives Fund (HIF) (0275)
Federal Reimbursement Allowance Fund (FRA) (0142)
Life Sciences Research Trust Fund (0763)
Healthy Families Trust Fund (0625)
Ambulance Service Reimb Allowance Fund (0958)
Uncompensated Care Fund (0108)
Premium Fund (0885)

Other Funds:

2. CORE DESCRIPTION

This funds the MO HealthNet Managed Care program to provide health care services to the MO HealthNet Managed Care population.

3. PROGRAM LISTING (list programs included in this core funding)

Managed Care

CORE DECISION ITEM

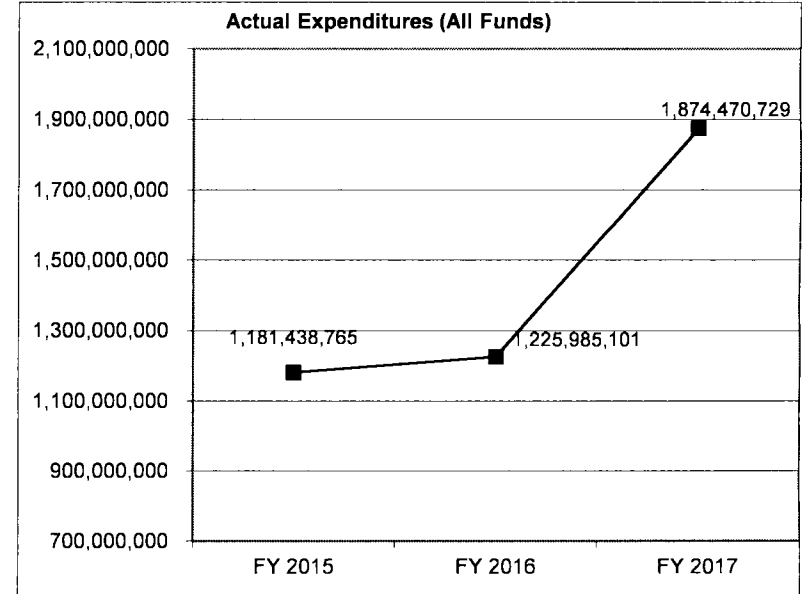
Department: Social Services
Division: MO HealthNet
Core: Managed Care

Budget Unit: 90551C

HB Section: 11.505

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds) | 1,194,884,629 | 1,232,355,587 | 1,899,173,873 | 2,264,099,294 |
| Less Reverted (All Funds) | (241,652) | (241,652) | 0 | (557,711) |
| Less Restricted (All Funds) | 0 | 0 | 0 | 0 |
| Budget Authority (All Funds) | 1,194,642,977 | 1,232,113,935 | 1,899,173,873 | 2,263,541,583 |
| Actual Expenditures (All Funds) | 1,181,438,765 | 1,225,985,101 | 1,874,470,729 | N/A |
| Unexpended (All Funds) | 13,204,212 | 6,128,834 | 24,703,144 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 0 | 102,319 | 7,103,647 | N/A |
| Federal | 12,853,351 | 176,328 | 17,594,497 | N/A |
| Other | 350,861 | 5,850,187 | 5,001 | N/A |
| | | (1) | (2) | |



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY 2016 actual appropriations and expenditures include those from the Statewide Managed Care Expansion section.

(2) For FY 2017 the statewide managed care expansion appropriations have been reallocated to the managed care section and are included in the total.

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Managed Care

Budget Unit: 90551C

HB Section: 11.505

Cost Per Eligible - Per Member Per Month (PMPM)

| | Managed Care PMPM** | Acute Care PMPM*** | Total PMPM | Managed Care Percentage of Acute | Managed Care Percentage of Total |
|-------------------|---------------------|--------------------|------------|----------------------------------|----------------------------------|
| PTD | \$0.00 | \$1,127.90 | \$2,188.07 | 0.00% | 0.00% |
| Seniors | \$0.00 | \$406.24 | \$1,679.11 | 0.00% | 0.00% |
| Custodial Parents | \$216.67 | \$476.89 | \$515.48 | 45.43% | 42.03% |
| Children* | \$134.66 | \$266.90 | \$297.36 | 50.45% | 45.29% |
| Pregnant Women | \$466.90 | \$916.46 | \$916.46 | 50.95% | 50.95% |

Source: Table 23 Medical Statistics for Fiscal Year 2017 (Paid Claims Data). Does not include add-on payments.

* CHIP eligibles not included.

** Includes EPSDT services.

*** Acute Care PMPM includes Managed Care and all Managed Care carve out services, such as Pharmacy.

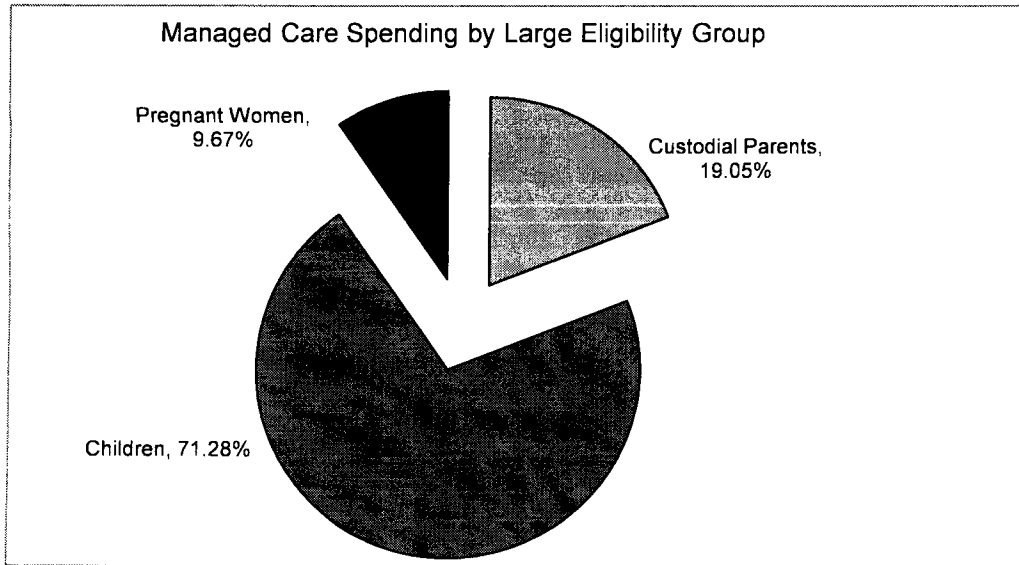
See 4th paragraph on the right for complete list of services included in Acute Care PMPM.

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MO HealthNet management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

The PMPM table reflects the PMPM amounts for managed care, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, pharmacy, managed care payments, Medicare co-pay/deductibles, dental and other acute services administered by MO HealthNet. It does not include nursing facilities, in-home services, mental health services and state institutions. By comparing the managed care PMPM to the acute care PMPM, MO HealthNet management can monitor the progress of interventions controlled by MO HealthNet management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for managed care. It provides a snapshot of what eligibility groups are enrolled in managed care, as well as the populations impacted by program changes.



Source: Table 23 Medical Statistics for Fiscal Year 2017 (Paid Claims Data). Persons with Disabilities and Seniors are excluded from managed care.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES MANAGED CARE

5. CORE RECONCILIATION DETAIL

| | | | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-----------|----|-----------------|-------------|--------------------|----------------------|--------------------|----------------------|--------------------------------------------------------------------------------------|
| TAFP AFTER VETOES | | | | | | | | | |
| | | | PD | 0.00 | 458,560,957 | 1,464,071,911 | 341,466,426 | 2,264,099,294 | |
| | | | Total | 0.00 | 458,560,957 | 1,464,071,911 | 341,466,426 | 2,264,099,294 | |
| DEPARTMENT CORE ADJUSTMENTS | | | | | | | | | |
| 1x Expenditures | 1619 1784 | PD | | 0.00 | 0 | (26,122,283) | 0 | (26,122,283) | One-time costs for statewide Mgd Care transition |
| 1x Expenditures | 1619 1783 | PD | | 0.00 | (14,400,957) | 0 | 0 | (14,400,957) | One-time costs for statewide Mgd Care transition |
| Core Reduction | 1583 1183 | PD | | 0.00 | 0 | 0 | (1,456,557) | (1,456,557) | Core reduction corresponding to GR pickup NDI |
| Core Reduction | 1583 3711 | PD | | 0.00 | 0 | 0 | (25,474,964) | (25,474,964) | Core reduction corresponding to GR pickup NDI |
| Core Reduction | 1583 7166 | PD | | 0.00 | 0 | 0 | (7,931,272) | (7,931,272) | Core reduction corresponding to GR pickup NDI |
| Core Reduction | 1583 1784 | PD | | 0.00 | 0 | (10,000,000) | 0 | (10,000,000) | Core reduction corresponding to GR pickup NDI |
| Core Reduction | 1650 0198 | PD | | 0.00 | 0 | 0 | (53,546,430) | (53,546,430) | FRA over-allocated to statewide MC. Corresponding increase in Hospital FRA (MHD CTC) |
| Core Reallocation | 486 1784 | EE | | 0.00 | 0 | 1,050,000 | 0 | 1,050,000 | Core reallocations will more closely align the budget with planned expenditures. |
| Core Reallocation | 486 1783 | EE | | 0.00 | 1,050,000 | 0 | 0 | 1,050,000 | Core reallocations will more closely align the budget with planned expenditures. |

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES MANAGED CARE

5. CORE RECONCILIATION DETAIL

| | | | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|------|------|-----------------|-------------|---------------------|----------------------|---------------------|----------------------|--------------------------------------------------------------------------------------|
| DEPARTMENT CORE ADJUSTMENTS | | | | | | | | | |
| Core Reallocation | 486 | 0198 | EE | 0.00 | 0 | 0 | 1 | | 1 Core reallocations will more closely align the budget with planned expenditures. |
| Core Reallocation | 486 | 7166 | EE | 0.00 | 0 | 0 | 1 | | 1 Core reallocations will more closely align the budget with planned expenditures. |
| Core Reallocation | 486 | 1784 | PD | 0.00 | 0 | (1,050,000) | 0 | (1,050,000) | Core reallocations will more closely align the budget with planned expenditures. |
| Core Reallocation | 486 | 1783 | PD | 0.00 | (1,050,000) | 0 | 0 | (1,050,000) | Core reallocations will more closely align the budget with planned expenditures. |
| Core Reallocation | 486 | 0198 | PD | 0.00 | 0 | 0 | (1) | | (1) Core reallocations will more closely align the budget with planned expenditures. |
| Core Reallocation | 486 | 7166 | PD | 0.00 | 0 | 0 | (1) | | (1) Core reallocations will more closely align the budget with planned expenditures. |
| Core Reallocation | 1656 | 1784 | PD | 0.00 | 0 | (169,972,679) | 0 | (169,972,679) | MC lapse reallocated to FFS |
| Core Reallocation | 1656 | 1783 | PD | 0.00 | (39,218,088) | 0 | 0 | (39,218,088) | MC lapse reallocated to FFS |
| NET DEPARTMENT CHANGES | | | | 0.00 | (53,619,045) | (206,094,962) | (88,409,223) | (348,123,230) | |
| DEPARTMENT CORE REQUEST | | | | | | | | | |
| | | | EE | 0.00 | 1,050,000 | 1,050,000 | 2 | 2,100,002 | |
| | | | PD | 0.00 | 403,891,912 | 1,256,926,949 | 253,057,201 | 1,913,876,062 | |
| | | | Total | 0.00 | 404,941,912 | 1,257,976,949 | 253,057,203 | 1,915,976,064 | |

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
MANAGED CARE**

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-------------------------|-------------|--------------------|----------------------|--------------------|----------------------|--------------------|
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | EE | 0.00 | 1,050,000 | 1,050,000 | 2 | 2,100,002 | |
| | PD | 0.00 | 403,891,912 | 1,256,926,949 | 253,057,201 | 1,913,876,062 | |
| | Total | 0.00 | 404,941,912 | 1,257,976,949 | 253,057,203 | 1,915,976,064 | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | | |
|-----------------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|----------|-------------|--|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** | |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED | |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN | |
| MANAGED CARE | | | | | | | | | |
| CORE | | | | | | | | | |
| EXPENSE & EQUIPMENT | | | | | | | | | |
| GENERAL REVENUE | 1,581,095 | 0.00 | 0 | 0.00 | 1,050,000 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 1,672,948 | 0.00 | 0 | 0.00 | 1,050,000 | 0.00 | 0 | 0.00 | |
| FEDERAL REIMBURSEMENT ALLOWANCE | 154,153 | 0.00 | 0 | 0.00 | 1 | 0.00 | 0 | 0.00 | |
| LIFE SCIENCES RESEARCH TRUST | 3,000 | 0.00 | 0 | 0.00 | 1 | 0.00 | 0 | 0.00 | |
| TOTAL - EE | 3,411,196 | 0.00 | 0 | 0.00 | 2,100,002 | 0.00 | 0 | 0.00 | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 470,554,412 | 0.00 | 458,560,957 | 0.00 | 403,891,912 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 1,214,275,732 | 0.00 | 1,464,071,911 | 0.00 | 1,256,926,949 | 0.00 | 0 | 0.00 | |
| UNCOMPENSATED CARE FUND | 33,848,436 | 0.00 | 33,848,436 | 0.00 | 33,848,436 | 0.00 | 0 | 0.00 | |
| FEDERAL REIMBURSEMENT ALLOWANCE | 97,239,964 | 0.00 | 192,526,292 | 0.00 | 138,979,861 | 0.00 | 0 | 0.00 | |
| HEALTH INITIATIVES | 18,314,722 | 0.00 | 18,590,380 | 0.00 | 18,590,380 | 0.00 | 0 | 0.00 | |
| HEALTHY FAMILIES TRUST | 6,851,904 | 0.00 | 48,358,354 | 0.00 | 22,883,390 | 0.00 | 0 | 0.00 | |
| LIFE SCIENCES RESEARCH TRUST | 21,440,750 | 0.00 | 35,724,296 | 0.00 | 27,793,023 | 0.00 | 0 | 0.00 | |
| PREMIUM | 7,080,502 | 0.00 | 10,716,411 | 0.00 | 9,259,854 | 0.00 | 0 | 0.00 | |
| AMBULANCE SERVICE REIMB ALLOW | 1,453,111 | 0.00 | 1,702,257 | 0.00 | 1,702,257 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 1,871,059,533 | 0.00 | 2,264,099,294 | 0.00 | 1,913,876,062 | 0.00 | 0 | 0.00 | |
| TOTAL | 1,874,470,729 | 0.00 | 2,264,099,294 | 0.00 | 1,915,976,064 | 0.00 | 0 | 0.00 | |
| MO HEALTHNET GR PICKUP - 1886018 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 44,862,793 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 44,862,793 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 44,862,793 | 0.00 | 0 | 0.00 | |
| Mngd Care Actuarial Rate Inc - 1886007 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 12,944,188 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 23,273,461 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 36,217,649 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 36,217,649 | 0.00 | 0 | 0.00 | |

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DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | | |
|------------------------------------------------|------------------------|-------------|------------------------|-------------|------------------------|-------------|------------|-------------|--|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** | |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED | |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN | |
| MANAGED CARE | | | | | | | | | |
| Managed Care Hlth Insurer Fee - 1886008 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 21,698,626 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 39,013,813 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 60,712,439 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 60,712,439 | 0.00 | 0 | 0.00 | |
| Managed Care Withhold Release - 1886009 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 12,423,628 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 22,337,502 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 34,761,130 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 34,761,130 | 0.00 | 0 | 0.00 | |
| GRAND TOTAL | \$1,874,470,729 | 0.00 | \$2,264,099,294 | 0.00 | \$2,092,530,075 | 0.00 | \$0 | 0.00 | |

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FLEXIBILITY REQUEST FORM

| | | | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| BUDGET UNIT NUMBER: 90551C BUDGET UNIT NAME: Managed Care HOUSE BILL SECTION: 11.505 | DEPARTMENT: Social Services DIVISION: MO HealthNet | | | | |
| 1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. | | | | | |
| Department Request | | | | | |
| <table style="width: 100%;"> <tr> <td style="width: 33%; text-align: right;"> Total \$ 2,092,530,075 </td> <td style="width: 10%; text-align: center;"> % Flex 10% </td> <td style="width: 33%; text-align: right;"> Flex Amount \$ 209,253,008 </td> <td style="width: 24%; padding-left: 20px;"> Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.505, 11.510, 11.555, 11.560, and 11.600. </td> </tr> </table> | | Total \$ 2,092,530,075 | % Flex 10% | Flex Amount \$ 209,253,008 | Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.505, 11.510, 11.555, 11.560, and 11.600. |
| Total \$ 2,092,530,075 | % Flex 10% | Flex Amount \$ 209,253,008 | Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.505, 11.510, 11.555, 11.560, and 11.600. | | |
| 2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount. | | | | | |
| PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED | CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED | BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED | | | |
| \$1,488,810 | None | 10% flexibility between sections for FY 19. | | | |
| 3. Please explain how flexibility was used in the prior and/or current years. | | | | | |
| PRIOR YEAR EXPLAIN ACTUAL USE | CURRENT YEAR EXPLAIN PLANNED USE | | | | |
| Flexibility was utilized from Managed Care to Pharmacy in FY17. | Flexibility allows DSS to provide continued Medicaid benefits without an interruption in reimbursement to providers or partial payments. | | | | |

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|------------------------|-----------------|---------|-----------------|---------|-----------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| MANAGED CARE | | | | | | | | |
| CORE | | | | | | | | |
| PROFESSIONAL SERVICES | 3,047,185 | 0.00 | 0 | 0.00 | 2,100,002 | 0.00 | 0 | 0.00 |
| MISCELLANEOUS EXPENSES | 364,011 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| TOTAL - EE | 3,411,196 | 0.00 | 0 | 0.00 | 2,100,002 | 0.00 | 0 | 0.00 |
| PROGRAM DISTRIBUTIONS | 1,871,059,533 | 0.00 | 2,264,099,294 | 0.00 | 1,913,876,062 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 1,871,059,533 | 0.00 | 2,264,099,294 | 0.00 | 1,913,876,062 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$1,874,470,729 | 0.00 | \$2,264,099,294 | 0.00 | \$1,915,976,064 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$472,135,507 | 0.00 | \$458,560,957 | 0.00 | \$404,941,912 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$1,215,948,680 | 0.00 | \$1,464,071,911 | 0.00 | \$1,257,976,949 | 0.00 | | 0.00 |
| OTHER FUNDS | \$186,386,542 | 0.00 | \$341,466,426 | 0.00 | \$253,057,203 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.505

Program Name: Managed Care

Program is found in the following core budget(s): Managed Care

1a. What strategic priority does this program address?

Improve access and quality healthcare

1b. What does this program do?

Program Description

The MO HealthNet Division operates an HMO-style managed care program known as MO HealthNet Managed Care. Effective May 1, 2017, statewide participation in MO HealthNet Managed Care was mandatory for the following MO HealthNet eligibility groups:

- MO HealthNet for Families - Adults and Children;
- MO HealthNet for Children;
- Refugees;
- MO HealthNet for Pregnant Women;
- Children's Health Insurance Program (CHIP);
- Children in state care and custody; and
- Show Me Healthy Babies Program (SMHB).

Those participants who receive Supplemental Security Income (SSI), meet the SSI medical disability definition, or get adoption subsidy benefits may stay in MO HealthNet Managed Care or may choose to "opt out" and receive services on a fee-for-service basis instead.

Program Statistics

Effective May 1, 2017, MO HealthNet Managed Care was geographically extended statewide for the current MO HealthNet population. The Managed Care participants represent 47.55% of the total MO HealthNet participants, the Managed Care program comprises 18.12% of the total MO HealthNet program dollars. As of June 2017, there were 733,120 individuals enrolled in Managed Care.

Program Goals

To improve the accessibility and quality of health care services for MO HealthNet participants and state aid eligible populations, while reducing the costs of providing that care.

Program Objectives

Objectives of the MO HealthNet Managed Care program include cost effectiveness, improved quality of care, contract compliance, and member satisfaction.

Reimbursement Methodology

MO HealthNet Managed Care health plans contract with the state and are paid a monthly capitation payment for providing services for each enrollee. Federal Regulation 42 CFR 438-Managed Care and State Authority 208.166 require capitation payments made on behalf of managed care participants to be actuarially sound. Therefore, MO HealthNet must maintain capitation rates at a sufficient level to ensure continued health plan and provider participation.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.505

Program Name: Managed Care

Program is found in the following core budget(s): Managed Care

Rate History

Following are the prior year managed care actuarial increases received:

FY 2018 \$20,403,308

FY 2017 \$21,266,346

FY 2016 \$11,192,155

FY 2015 \$54,573,006

FY 2014 \$52,666,128

FY 2012 \$72,840,071

FY 2010 \$66,701,815

Additional Details

The MO HealthNet Managed Care program is subject to an approved CHIP State Plan Amendment and an approved federal 1915(b) waiver. An independent evaluation of the MO HealthNet Managed Care program is required by the Centers for Medicare and Medicaid Services (CMS) with respect to access to care and quality of services. At the end of the waiver period or at prescribed intervals within the waiver period, the state must demonstrate that their waiver cost projections and budget neutrality projections are reasonable and consistent with statute, regulation and guidance.

History

The MO HealthNet Managed Care program has operated in the Eastern Region since September 1, 1995, in the Central Region since March 1, 1996, and in the Western Region since January 1, 1997. Effective January 1, 2008 the state introduced the MO HealthNet Managed Care program in seventeen counties contiguous to the original existing three MO HealthNet Managed Care regions. Effective July 1, 2015, three health plans contracted with the state to provide services in the three MO HealthNet Managed Care regions. In 2015, authority was granted to extend the Managed Care program into then-existing fee-for-service counties for the current Managed Care eligibility groups. The current Eastern and Western regions remained geographically the same while the Central region was expanded, and, a new Southwestern region was created. A Request for Proposal (RFP) was released in April, 2016 and contracts were awarded in October, 2016 for statewide Managed Care effective May 1, 2017.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.505

Program Name: Managed Care

Program is found in the following core budget(s): Managed Care

Services

In MO HealthNet Managed Care, enrollees receive the majority of their services through the managed care benefit. Examples of services included in the capitation payment paid to health plans are: hospital; physician; emergency medical services; EPSDT services; family planning services; dental; optical; audiology; personal care; and mental health services. Services provided on a fee-for-service basis outside of the capitation payment include: pharmacy services; transplants; school-based therapy; Department of Health and Senior Services newborn screening services; certain mental health services, including ICF/MR; community psychiatric rehabilitation services; CSTAR services; smoking cessation; and mental health services for children in the care and custody of the state.

MO HealthNet Managed Care is intended to provide MO HealthNet participants a number of advantages over traditional fee-for-service MO HealthNet. Each MO HealthNet Managed Care participant chooses a MO HealthNet Managed Care health plan and a primary care provider from within the network of the health plan.

Managed Care participants are guaranteed access to primary care and other services as needed.

MO HealthNet Managed Care health plans are required by contract to ensure that routine exams are scheduled within thirty days, urgent care within twenty-four hours, and emergency services must be available at all times. Behavioral health appointments for routine care with behavioral symptoms are required by contract to be scheduled within one week or five business days, whichever is earlier, urgent care within twenty-four hours, and after care appointments following hospitalizations must be within seven days of discharge. MO HealthNet Managed Care health plans are required by contract to ensure that children receive all EPSDT exams (complete physicals on a regular schedule), are fully immunized, and receive any medically necessary service. MO HealthNet Managed Care health plans are also required by contract to provide care management to ensure that enrollee services, especially those provided to children and pregnant women, are properly coordinated. The Division monitors performance of the health plans and assists them with improvement.

MO HealthNet Managed Care most importantly provides the means to ensure access, manage and coordinate benefits, and monitor quality of care and outcomes while controlling costs.

Quality Assessment

The purpose of quality assessment is to assess the quality of services in the MO HealthNet Managed Care program. Quality assessment utilizes a variety of methods and tools to measure outcomes of services provided. The goal is to monitor health care services provided to MO HealthNet Managed Care members by the MO HealthNet Managed Care health plans, and comply with federal, state and contract requirements. The MO HealthNet Managed Care health plans are required to meet program standards for quality improvement, systems, member services, provider services, recordkeeping, organizational structure, adequacy of personnel, access standards, and data reporting as outlined in the MO HealthNet Managed Care contracts. Quality assessment measures are taken from the Healthcare Effectiveness Data Information Set (HEDIS) and other internally developed measurements. HEDIS is a strong public/private effort that includes a standardized set of measures to assess and encourage the continual improvement in the quality of health care. Specifically, Medicaid HEDIS includes additional quality and access measures which respond more directly to needs of women and children who make up the majority of MO HealthNet Managed Care participants. HEDIS is intended to be used collaboratively by the state agency and the MO HealthNet Managed Care health plans to:

- Provide the state agency with information on the performance of the contracted MO HealthNet Managed Care health plans;
- Assist health plans in quality improvement efforts;
- Support emerging efforts to inform MO HealthNet clients about managed care plan performance; and
- Promote standardization of health plan reporting across the public and private sectors.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.505

Program Name: Managed Care

Program is found in the following core budget(s): Managed Care

An annual report is provided with significant outcomes measured including the following:

- Member complaints and grievances including actions taken and reasons for members changing MO HealthNet Managed Care health plans;
- Utilization review including inpatient/outpatient visits for both physical and mental health;
- Outcome indicators such as diabetes, asthma, low birth weight and mortality;
- EPSDT activities (children's health services) such as the number of well child visits provided;
- Prenatal activities and services provided; and
- Behavioral health activities and services provided

National Committee for Quality Assurance (NCQA) Accreditation

Effective October 1, 2011, the Managed Care health plans were required to be NCQA accredited at a level of "accredited" or better to be eligible to receive a contract in the MO HealthNet program. The Managed Care health plans must maintain such accreditation thereafter and throughout the duration of the contract.

Contract Compliance

Along with quality assessment, monitoring MO HealthNet Managed Care health plan compliance with contractual requirements is a primary method to measure whether the goals of managed care are being met. Contractual compliance monitoring begins with the issuance of the Request for Proposal (RFP) and continues throughout the contract. Contract compliance is measured through a variety of methods. The MO HealthNet Division has a relationship with the Missouri Department of Insurance, Financial Institutions and Professional Registration to analyze MO HealthNet Managed Care health plan provider networks in accordance with 20 CSR 400-7.095 to ensure that the network is adequate to meet the needs of enrollees.

Member Satisfaction

Member satisfaction with the MO HealthNet Managed Care health plans is another method for measuring success of the MO HealthNet Managed Care program. An initial measurement is how many members actually choose their MO HealthNet Managed Care health plan versus the Division assigning them to MO HealthNet Managed Care health plans. MO HealthNet Managed Care has a high voluntary choice percentage. Since the inception of the MO HealthNet Managed Care program, approximately 25.01% of enrollees are randomly assigned by the Division. Reporting has been developed to continuously monitor how many participants initially choose their MO HealthNet Managed Care health plans as well as which health plans are chosen. Other reporting monitors participants' transfer requests among MO HealthNet Managed Care health plans to identify health plans that have particular problems keeping their participants. MO HealthNet also looks at the number of calls coming into the participant and provider hotlines to assess problem areas with health plans. MO HealthNet Managed Care health plans submit enrollee satisfaction data to the Department of Health and Senior Services in accordance with 19 CSR 10-5.010.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.166; Federal law: Social Security Act Sections 1902(a)(4), 1903(m), 1915(b), 1932; Federal Regulations: 42 CFR 438 and 412.106.

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Managed Care
Program is found in the following core budget(s): Managed Care

HB Section: 11.505

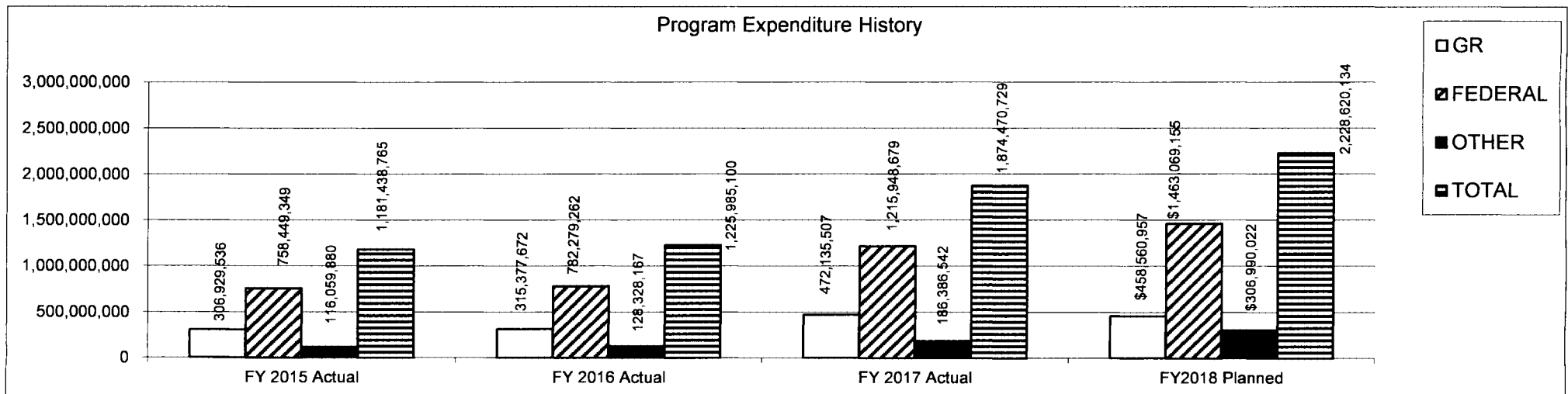
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY18 is a blended 64.260% federal match. The state matching requirement is 35.740%.

4. Is this a federally mandated program? If yes, please explain.

MO HealthNet Managed Care covers most services available to fee-for-service participants. As such, both mandatory and non-mandatory services are included. Services not included in MO HealthNet Managed Care are available on a fee-for-service basis as specified in the FFS cores.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY16 expenditures include expenditures made from the Statewide Managed Care Expansion appropriations. FY18 planned expenditures are net of reverted and reserve.

6. What are the sources of the "Other" funds?

Federal Reimbursement Allowance Fund (0142), Mo HealthNet Managed Care Org Fund (0160), Health Initiatives Fund (0275), Healthy Families Trust (0625), Life Sciences Research Trust Fund (0763), Ambulance Service Reimbursement Fund (0958), Uncompensated Care (0108), Premium Fund (0885), Pharmacy Rebates (0114), and Pharmacy Reimbursement Allowance (0144).

PROGRAM DESCRIPTION

Department: Social Services

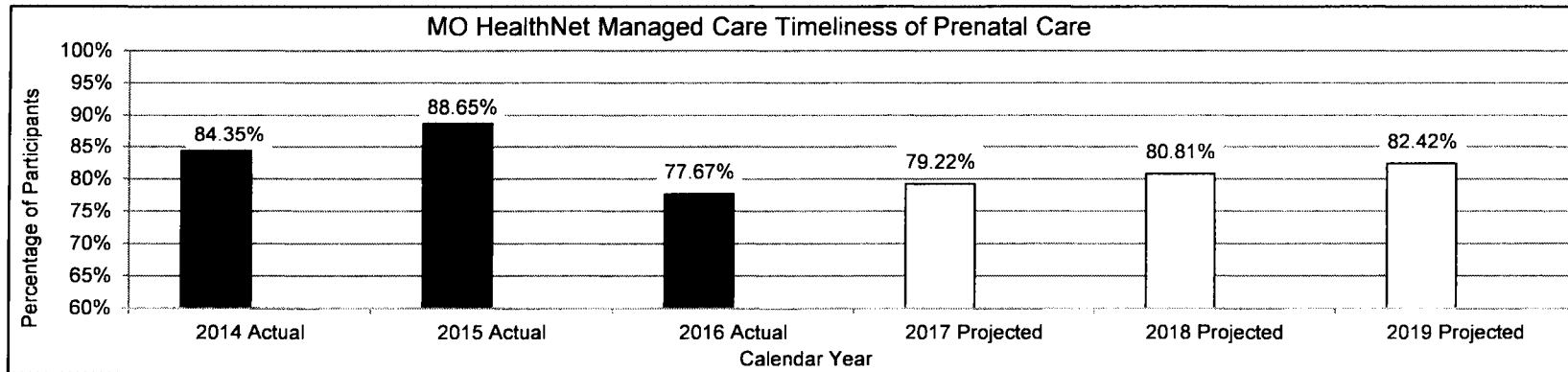
HB Section: 11.505

Program Name: Managed Care

Program is found in the following core budget(s): Managed Care

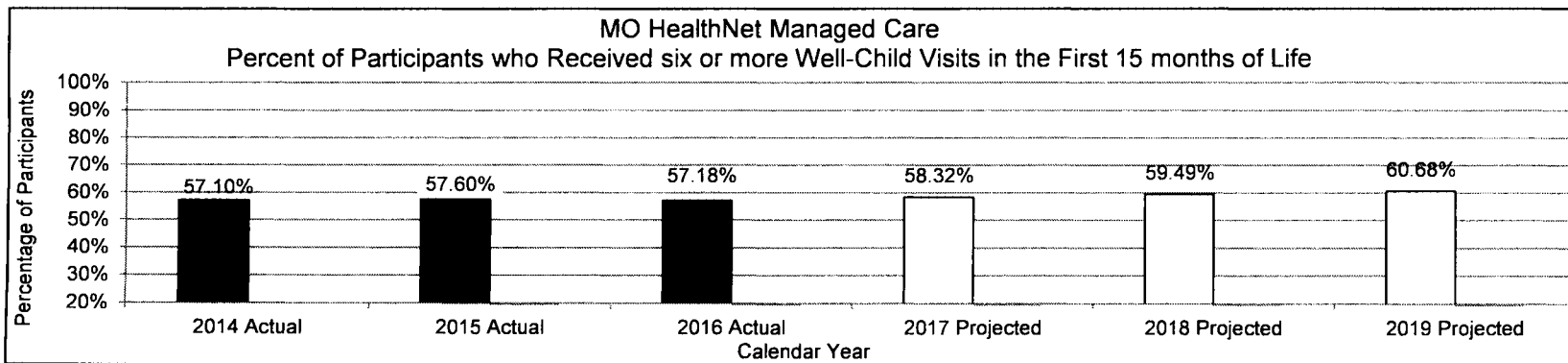
7a. Provide an effectiveness measure.

Prenatal care is important for monitoring the progress of pregnancy and to identify risk factors for the mother or baby before they become serious and lead to poor outcomes and more expensive health care costs. The diagnosis and treatment of chronic conditions also reduces more expensive health care costs that could result when conditions are left untreated.



CY2016 data is the most recent data available

Effectiveness Measure 1: Increase the percentage of women receiving early prenatal care. The percentage of women who received prenatal care within the first trimester or within 42 days of enrollment in a health plan was 77.67% in 2016.



CY2016 data is the most recent data

Effectiveness Measure 2: Increase the percentage of participants who receive six or more well-child visits in the first 15 months of life. The percentage of participants who received services were 57.18% in 2016.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.505

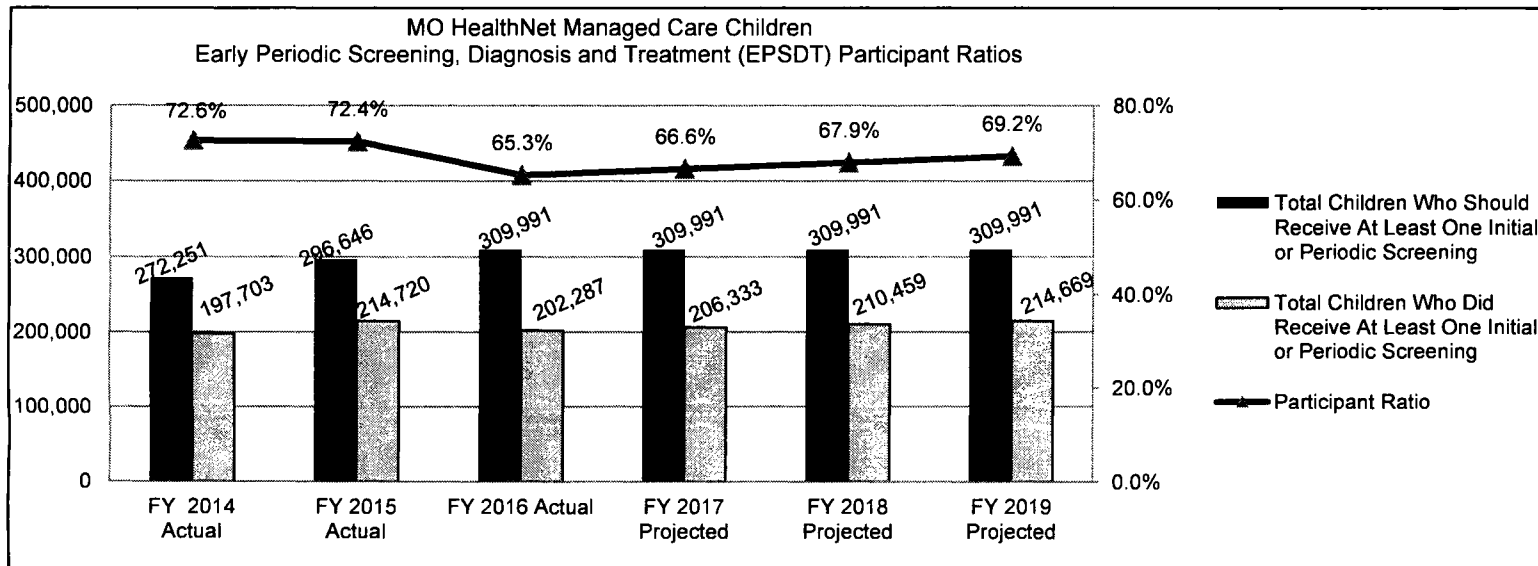
Program Name: Managed Care

Program is found in the following core budget(s): Managed Care

7b. Provide an efficiency measure.

The Early Periodic Screening, Diagnosis and Treatment (EPSDT) program is a comprehensive, primary and preventive health care program for MO HealthNet eligible children and youth under the age of 21 years. The program provides early and periodic medical/dental screenings, diagnosis and treatment to correct or ameliorate defects and chronic conditions found during the screening. The chart below does not include CHIP children.

Efficiency Measure: Increase the ratio of children who receive an EPSDT service.



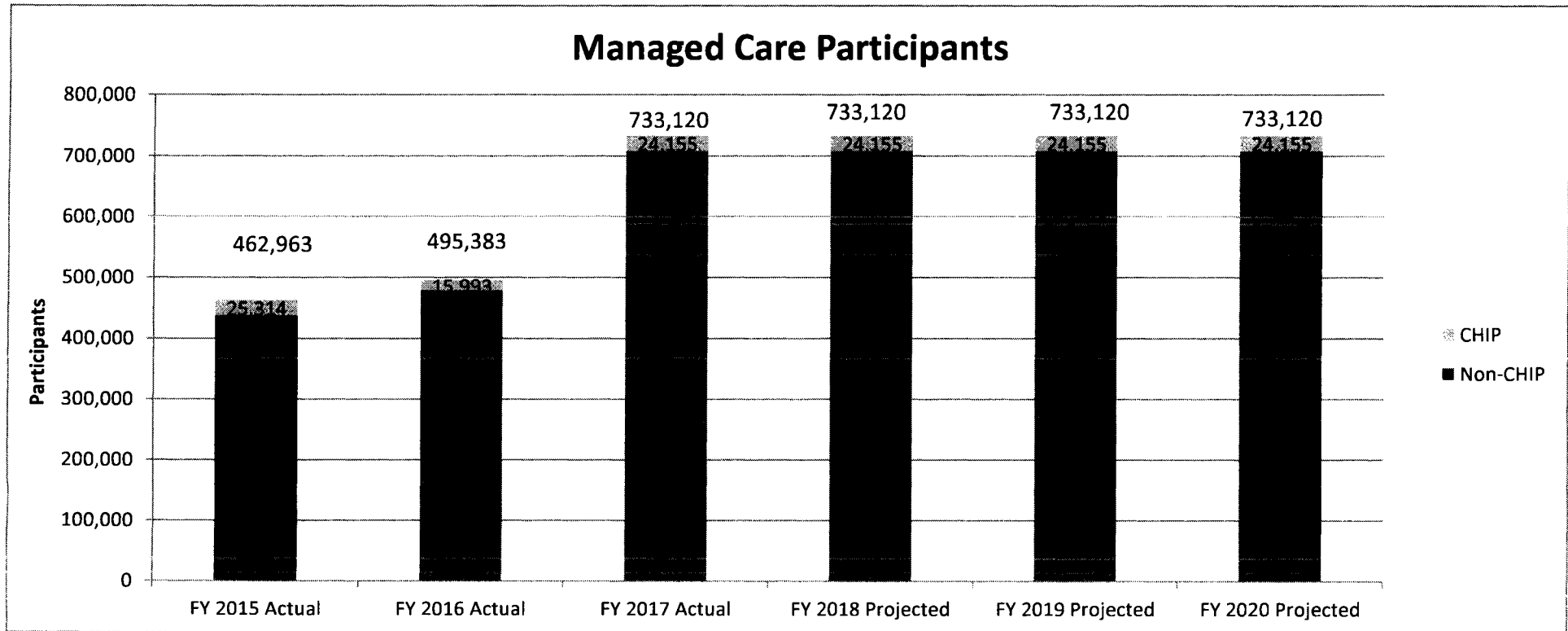
FY 2016 data is the most recent data available (data only available in March of the following fiscal year)

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Managed Care
Program is found in the following core budget(s): Managed Care

HB Section: 11.505

7c. Provide the number of clients/individuals served, if applicable.



Participation in MO HealthNet Managed Care for those areas of the state where it is available is mandatory for these eligibility categories:

- MO HealthNet for Families - Adults and Children;
- MO HealthNet for Children;
- Refugees;
- MO HealthNet for Pregnant Women;
- Children Health Insurance Program (CHIP);
- Children in state care and custody; and
- Show Me Health Babies Program (SMHB)

Statewide Managed Care for these limited eligibility groups began effective May 1, 2017.

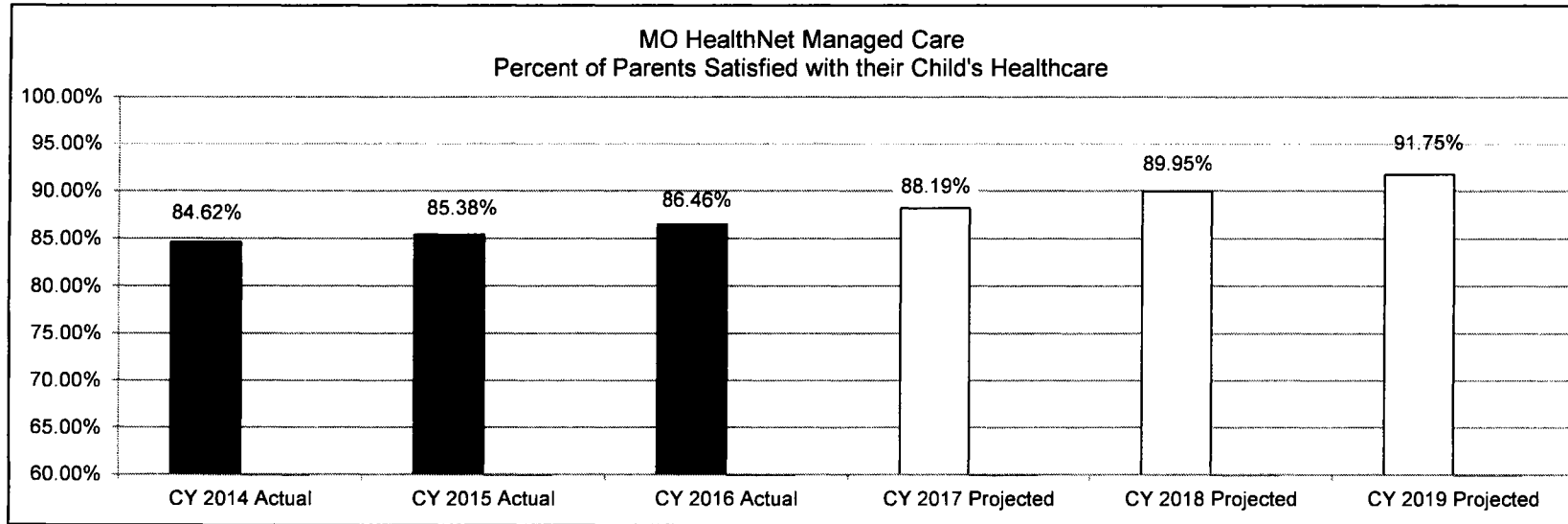
PROGRAM DESCRIPTION

Department: Social Services
Program Name: Managed Care
Program is found in the following core budget(s): Managed Care

HB Section: 11.505

7d. Provide a customer satisfaction measure, if available.

When parents were asked if they were satisfied with the health care their child received through their MO HealthNet Managed Care plan, over 84% responded that they were satisfied in 2016.



CY2016 data is the most recent data available

Customer Satisfaction Measure: Increase the percentage of parents who were satisfied with the health care their child received through MO HealthNet Managed Care.

Hospital Care

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Hospital Care

Budget Unit: 90552C

HB Section: 11.510

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | |
|------------------------|------------|-------------|-------------|-------------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | 120,875 | 335,875 | 1,175,000 | 1,631,750 | |
| PSD | 30,618,535 | 340,826,030 | 127,527,369 | 498,971,934 | |
| TRF | | | | | |
| Total | 30,739,410 | 341,161,905 | 128,702,369 | 500,603,684 | |
| FTE | | | | 0.00 | |

| | | | | |
|---------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation. | | | | |

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)
Healthy Families Trust Fund (0625)
Pharmacy Reimbursement Allowance (0144)

| FY 2019 Governor's Recommendation | | | | | |
|-----------------------------------|----|---------|-------|-------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | 0 | |
| PSD | | | | 0 | |
| TRF | | | | | |
| Total | | | | 0 | |
| FTE | | | | 0.00 | |

| | | | | |
|---------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation. | | | | |

Other Funds:

2. CORE DESCRIPTION

This item provides funding to reimburse hospitals for services provided to fee-for-service MO HealthNet participants

3. PROGRAM LISTING (list programs included in this core funding)

Inpatient and Outpatient hospital services

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Hospital Care

Budget Unit: 90552C

HB Section: 11.510

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|---------------------------|---------------------------|---------------------------|--------------------------------|
| Appropriation (All Funds) | 800,060,069 | 634,988,208 | 692,301,231 | 385,319,814 |
| Less Reverted (All Funds) | (275,130) | 0 | 0 | 0 |
| Less Restricted (All Funds)* | 0 | 0 | (550,000) | (200,000) |
| Budget Authority (All Funds) | 799,784,939 | 634,988,208 | 691,751,231 | 385,119,814 |
| Actual Expenditures (All Funds) | 798,079,002 | 632,366,715 | 686,492,531 | N/A |
| Unexpended (All Funds) | 1,705,937 | 2,621,493 | 5,258,700 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 0 | 1,492,813 | 0 | N/A |
| Federal | 120,164 | 883,195 | 556,538 | N/A |
| Other | 1,585,773 | 245,485 | 4,702,162 | N/A |
| | (1) | (2) | (3) | |

**Restricted amount is as of 9/23/17*

Reverted includes statutory reserve amounts (when applicable).

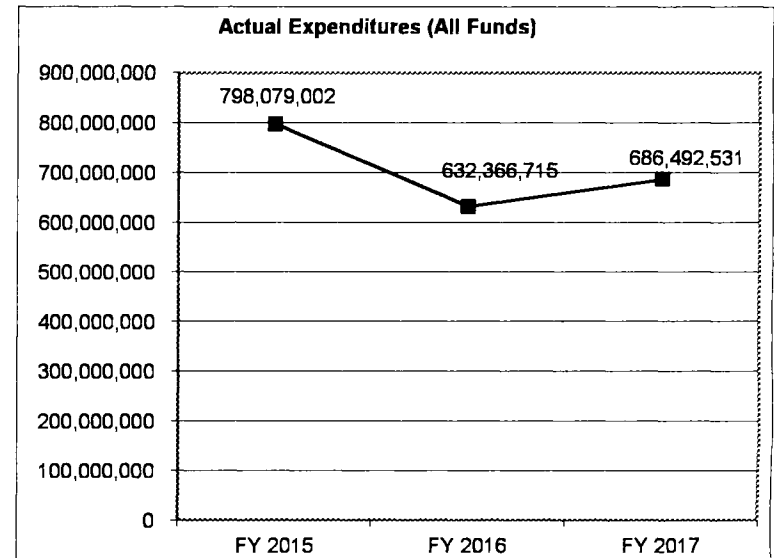
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) \$35,449,532 was paid from the FRA appropriation.

(2) Supplemental of \$58,441,550 (\$39,347,055 GR). \$284,061,323 was paid from MC Expansion.

(3) \$218,206,679 was paid from Managed Care.



CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Hospital Care

Budget Unit: 90552C

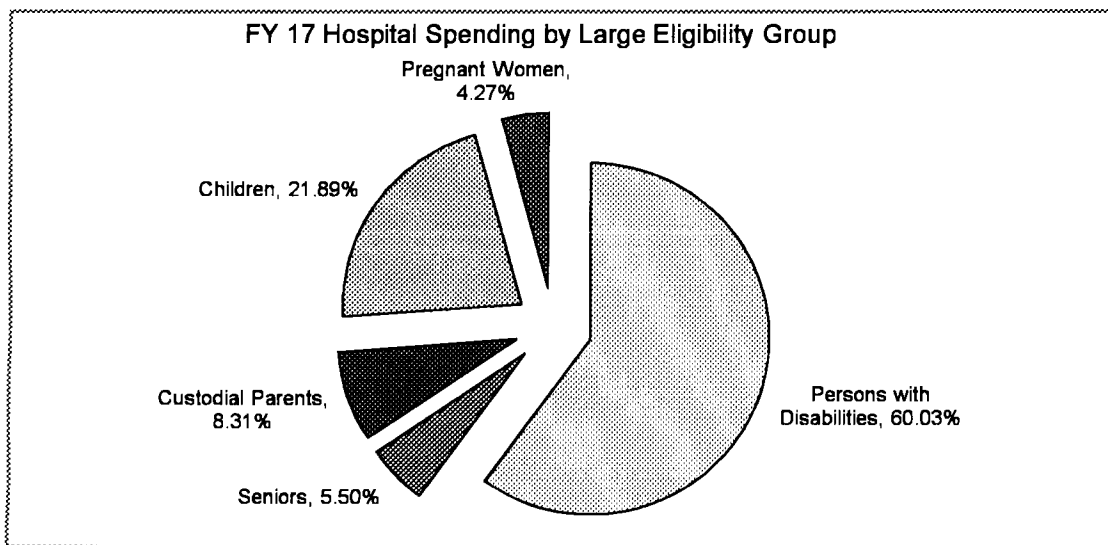
HB Section: 11.510

Cost Per Eligible - Per Member Per Month (PMPM)

| | Hospital PMPM | Acute Care PMPM | Total PMPM | Hospital Percentage of Acute | Hospital Percentage of Total |
|-------------------|---------------|-----------------|------------|------------------------------|------------------------------|
| PTD | \$425.43 | \$1,127.90 | \$2,188.07 | 37.72% | 19.44% |
| Seniors | \$77.10 | \$406.24 | \$1,679.11 | 18.98% | 4.59% |
| Custodial Parents | \$92.07 | \$476.89 | \$515.48 | 19.31% | 17.86% |
| Children* | \$40.28 | \$266.90 | \$297.35 | 15.09% | 13.55% |
| Pregnant Women | \$200.72 | \$899.91 | \$916.46 | 22.30% | 21.90% |

Source: Table 23 Medical Statistics for FY 17. (Paid Claims Data)

* CHIP eligibles not included



Source: Table 23 Medical Statistics for FY 17. (Paid Claims Data)

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MO HealthNet (MHD) management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for hospital care, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does not include nursing facilities, in-home services, mental health services and state institutions. By comparing the hospital PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for hospitals. It provides a snapshot of what eligibility groups are receiving hospital services as well as the populations impacted by program changes.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES HOSPITAL CARE

5. CORE RECONCILIATION DETAIL

| | | | | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|------|------|--|-----------------|-------------|------------------|--------------------|--------------------|--------------------|----------------------------------------------------------------------------------|
| TAFP AFTER VETOES | | | | | | | | | | |
| | | | | EE | 0.00 | 100,000 | 315,000 | 215,000 | 630,000 | |
| | | | | PD | 0.00 | 9,007,792 | 247,094,653 | 128,587,369 | 384,689,814 | |
| | | | | Total | 0.00 | 9,107,792 | 247,409,653 | 128,802,369 | 385,319,814 | |
| DEPARTMENT CORE ADJUSTMENTS | | | | | | | | | | |
| 1x Expenditures | 1657 | 3470 | | PD | 0.00 | 0 | 0 | (100,000) | (100,000) | One-time Medicaid ER Redux Program |
| Core Reallocation | 487 | 6471 | | EE | 0.00 | 0 | 20,875 | 0 | 20,875 | Core reallocations will more closely align the budget with planned expenditures. |
| Core Reallocation | 487 | 0776 | | EE | 0.00 | 0 | 0 | 960,000 | 960,000 | Core reallocations will more closely align the budget with planned expenditures. |
| Core Reallocation | 487 | 1432 | | EE | 0.00 | 20,875 | 0 | 0 | 20,875 | Core reallocations will more closely align the budget with planned expenditures. |
| Core Reallocation | 487 | 6471 | | PD | 0.00 | 0 | (20,875) | 0 | (20,875) | Core reallocations will more closely align the budget with planned expenditures. |
| Core Reallocation | 487 | 1432 | | PD | 0.00 | (20,875) | 0 | 0 | (20,875) | Core reallocations will more closely align the budget with planned expenditures. |
| Core Reallocation | 487 | 0776 | | PD | 0.00 | 0 | 0 | (960,000) | (960,000) | Core reallocations will more closely align the budget with planned expenditures. |
| Core Reallocation | 1655 | 1432 | | PD | 0.00 | 21,631,618 | 0 | 0 | 21,631,618 | MC lapse reall to Hospital |

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES HOSPITAL CARE

5. CORE RECONCILIATION DETAIL

| | | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-----------|-----------------|-------------|-------------------|--------------------|--------------------|--------------------|----------------------------|
| DEPARTMENT CORE ADJUSTMENTS | | | | | | | | |
| Core Reallocation | 1655 6471 | PD | 0.00 | 0 | 93,752,252 | 0 | 93,752,252 | MC lapse reall to Hospital |
| NET DEPARTMENT CHANGES | | | 0.00 | 21,631,618 | 93,752,252 | (100,000) | 115,283,870 | |
| DEPARTMENT CORE REQUEST | | | | | | | | |
| | | EE | 0.00 | 120,875 | 335,875 | 1,175,000 | 1,631,750 | |
| | | PD | 0.00 | 30,618,535 | 340,826,030 | 127,527,369 | 498,971,934 | |
| | | Total | 0.00 | 30,739,410 | 341,161,905 | 128,702,369 | 500,603,684 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | | |
| | | EE | 0.00 | 120,875 | 335,875 | 1,175,000 | 1,631,750 | |
| | | PD | 0.00 | 30,618,535 | 340,826,030 | 127,527,369 | 498,971,934 | |
| | | Total | 0.00 | 30,739,410 | 341,161,905 | 128,702,369 | 500,603,684 | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|----------------------------------------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|----------|-------------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| HOSPITAL CARE | | | | | | | | |
| CORE | | | | | | | | |
| EXPENSE & EQUIPMENT | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 100,000 | 0.00 | 120,875 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 2,173,697 | 0.00 | 315,000 | 0.00 | 335,875 | 0.00 | 0 | 0.00 |
| FEDERAL REIMBURSEMENT ALLOWANCE | 1,169,158 | 0.00 | 215,000 | 0.00 | 1,175,000 | 0.00 | 0 | 0.00 |
| LIFE SCIENCES RESEARCH TRUST | 3,090 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| TOTAL - EE | 3,345,945 | 0.00 | 630,000 | 0.00 | 1,631,750 | 0.00 | 0 | 0.00 |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 35,423,431 | 0.00 | 9,007,792 | 0.00 | 30,618,535 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 426,129,967 | 0.00 | 247,094,653 | 0.00 | 340,826,030 | 0.00 | 0 | 0.00 |
| FEDERAL REIMBURSEMENT ALLOWANCE | 176,625,059 | 0.00 | 88,206,216 | 0.00 | 87,146,216 | 0.00 | 0 | 0.00 |
| PHARMACY REIMBURSEMENT ALLOWAN | 12,877 | 0.00 | 15,709 | 0.00 | 15,709 | 0.00 | 0 | 0.00 |
| HEALTH INITIATIVES | 751,949 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| HEALTHY FAMILIES TRUST | 40,679,647 | 0.00 | 40,365,444 | 0.00 | 40,365,444 | 0.00 | 0 | 0.00 |
| LIFE SCIENCES RESEARCH TRUST | 3,523,656 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 683,146,586 | 0.00 | 384,689,814 | 0.00 | 498,971,934 | 0.00 | 0 | 0.00 |
| TOTAL | 686,492,531 | 0.00 | 385,319,814 | 0.00 | 500,603,684 | 0.00 | 0 | 0.00 |
| Year 1 Asset Limit CTC - 0000016 | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 475,956 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 6,742,987 | 0.00 | 0 | 0.00 |
| FEDERAL REIMBURSEMENT ALLOWANCE | 0 | 0.00 | 0 | 0.00 | 3,274,345 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 10,493,288 | 0.00 | 0 | 0.00 |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 10,493,288 | 0.00 | 0 | 0.00 |
| Year 2 Asset Limit Increase - 0000017 | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 165,508 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 2,554,693 | 0.00 | 0 | 0.00 |

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DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | | |
|----------------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|------------|-------------|--|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** | |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED | |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN | |
| HOSPITAL CARE | | | | | | | | | |
| Year 2 Asset Limit Increase - 0000017 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| FEDERAL REIMBURSEMENT ALLOWANCE | 0 | 0.00 | 0 | 0.00 | 1,233,820 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 3,954,021 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 3,954,021 | 0.00 | 0 | 0.00 | |
| MHD COST TO CONTINUE - 1886001 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 45,311,577 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 90,401,911 | 0.00 | 0 | 0.00 | |
| FEDERAL REIMBURSEMENT ALLOWANCE | 0 | 0.00 | 0 | 0.00 | 53,546,430 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 189,259,918 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 189,259,918 | 0.00 | 0 | 0.00 | |
| GRAND TOTAL | \$686,492,531 | 0.00 | \$385,319,814 | 0.00 | \$704,310,911 | 0.00 | \$0 | 0.00 | |

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FLEXIBILITY REQUEST FORM

| | |
|------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| BUDGET UNIT NUMBER: 90552C BUDGET UNIT NAME: Hospital Care HOUSE BILL SECTION: 11.510 | DEPARTMENT: Social Services DIVISION: MO HealthNet |
|------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

Department Request

| | | |
|----------------|---------------|--------------------|
| Total | % Flex | Flex Amount |
| \$ 704,310,911 | 10% | \$ 70,431,091 |

Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.505, 11.510, 11.555, 11.560, and 11.600.

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

| PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED | CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED | BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED |
|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|
| \$4,178,589 | HB11 language allows up to 10% flexibility between 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.510, 11.555, and 11.600 | 10% flexibility is being requested for FY19 |

3. Please explain how flexibility was used in the prior and/or current years.

| PRIOR YEAR EXPLAIN ACTUAL USE | CURRENT YEAR EXPLAIN PLANNED USE |
|-----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| Flexibility was utilized from Hospital to Nursing Facilities and Blind Medical in FY17. | Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program. |

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|-----------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|------------|-------------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| HOSPITAL CARE | | | | | | | | |
| CORE | | | | | | | | |
| PROFESSIONAL SERVICES | 3,345,945 | 0.00 | 630,000 | 0.00 | 1,631,750 | 0.00 | 0 | 0.00 |
| TOTAL - EE | 3,345,945 | 0.00 | 630,000 | 0.00 | 1,631,750 | 0.00 | 0 | 0.00 |
| PROGRAM DISTRIBUTIONS | 683,146,586 | 0.00 | 384,689,814 | 0.00 | 498,971,934 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 683,146,586 | 0.00 | 384,689,814 | 0.00 | 498,971,934 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$686,492,531 | 0.00 | \$385,319,814 | 0.00 | \$500,603,684 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$35,423,431 | 0.00 | \$9,107,792 | 0.00 | \$30,739,410 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$428,303,664 | 0.00 | \$247,409,653 | 0.00 | \$341,161,905 | 0.00 | | 0.00 |
| OTHER FUNDS | \$222,765,436 | 0.00 | \$128,802,369 | 0.00 | \$128,702,369 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.510

Program Name: Hospital Care

Program is found in the following core budget(s): Hospital Care

1a. What strategic priority does this program address?

Maintain quality hospital care

1b. What does this program do?

Program Description

Since 1967, MO HealthNet has provided payment for 1) inpatient hospital and 2) outpatient hospital services for fee-for-service participants. These services are mandatory Medicaid-covered services and are provided statewide.

- 1) Inpatient hospital services are medical services provided in a hospital acute or psychiatric care setting for the care and treatment of MO HealthNet participants.
- 2) Outpatient hospital services include preventive, diagnostic, emergency, therapeutic, rehabilitative, or palliative services provided in an outpatient setting.

Examples of outpatient services are emergency room services, physical therapy, ambulatory surgery, or any service or procedure performed prior to admission.

Program Statistics

The hospital program comprises 15.187% of the total Medicaid program dollars. As of July 2017, there were 142 hospitals enrolled in MO HealthNet. In FY 2017, approximately 46.33% of hospital expenditures were for inpatient services and 53.67% were for outpatient services.

Program Goals

To maintain hospital reimbursement at a sufficient level to ensure quality health care and provider participation in the MO HealthNet program.

Program Objectives

- Provide accurate reimbursement to hospital providers through auditing of cost reports and determination of per diem rates.
- Maximize reimbursement by determining hospital disproportionate share (DSH) payments, Direct Medicaid add-on payments and other special payments, and Federal Reimbursement Allowance (FRA) provider assessments. *See the FRA tab for more information about these financing mechanisms.*

Reimbursement Methodology

Inpatient Services

Reimbursement for inpatient hospital stays, also known as a "per diem rate," is determined by a prospective reimbursement plan. The Missouri state plan provides for an inpatient hospital reimbursement rate based on the 1995 cost report to reimburse for a specified admission diagnosis. Total reimbursement is calculated based upon an individual participant's inpatient length of stay. To determine an inpatient length of stay, MO HealthNet calculates the lesser of:

- The number of days certified as medically necessary by MHD's authorized utilization review agent;
- The number of days billed by the provider for the participant's length of stay; or
- The number of days allowed for any diagnosis not subject to review and certification by the utilization review agent. Such diagnoses are listed in the table found at: <http://dss.mo.gov/mhd/providers/pdf/exempt-diagnosis-table.pdf>.

A hospital is eligible for a special per diem rate increase if it meets prescribed requirements concerning new inpatient health services or new hospital construction.

Outpatient Services

Outpatient services, excluding certain diagnostic laboratory procedures and radiology procedures, are paid on a prospective outpatient reimbursement methodology.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.510

Program Name: Hospital Care

Program is found in the following core budget(s): Hospital Care

- The prospective outpatient payment percentage is calculated using the MO HealthNet overall outpatient cost-to-charge ratio from the fourth, fifth, and sixth year cost reports regressed to the current state fiscal year.
- The prospective outpatient payment percentage cannot exceed 100% and cannot be less than 20%.
- New MO HealthNet providers that do not have fourth, fifth, and sixth prior year cost reports are set at 75% for the first three fiscal years in which the hospital operates and will have a cost settlement calculated for three years.
- A prospective outpatient rate is then calculated and used for the fourth and subsequent years of operation. The weighted average prospective outpatient rate is 28% for FY 2018.

Hospitals may also receive reimbursement using funding from the Federal Reimbursement Allowance (FRA) program. The FRA program is a funding source for, but not limited to, inpatient and outpatient services. *For a more detailed description of the FRA program, see the FRA narrative.*

Additional Details

MHD has also implemented some initiatives to help control hospital costs. One tool used is to require certification of inpatient hospital stays to ensure clinical appropriateness. In addition, MO HealthNet, in conjunction with Conduent (formerly Xerox) operates a quality-based Radiology Benefit Management Program (RBM). The RBM requires pre-certifications for high-tech radiology procedures including MRIs and CTs of the brain, head, chest and spine. *For more information about these cost containment initiatives, see the Clinical Management Services Program tab.*

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2), 1923(a)-(f);

Federal regulations: 42 CFR 440.10 and 440.20

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY 18 is a blended 64.260% federal match. The state matching requirement is 35.740%.

4. Is this a federally mandated program? If yes, please explain.

Yes, if the state elects to have a Medicaid program.

PROGRAM DESCRIPTION

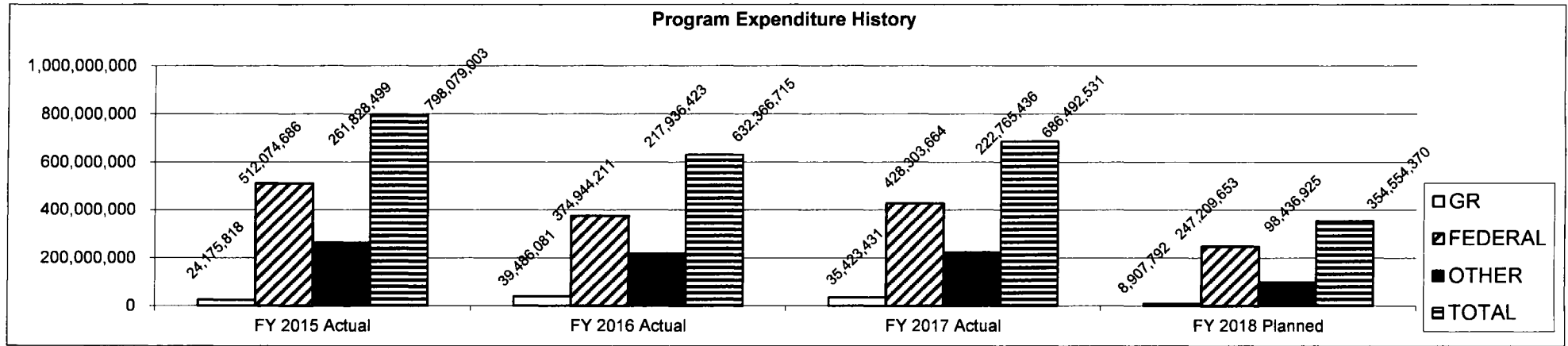
Department: Social Services

HB Section: 11.510

Program Name: Hospital Care

Program is found in the following core budget(s): Hospital Care

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2018 is net of restricted and reserve.

6. What are the sources of the "Other " funds?

Uncompensated Care Fund (0108), Federal Reimbursement Allowance Fund (0142), Health Initiatives Fund (0275), Third Party Liability Collections Fund (0120),

PROGRAM DESCRIPTION

Department: Social Services

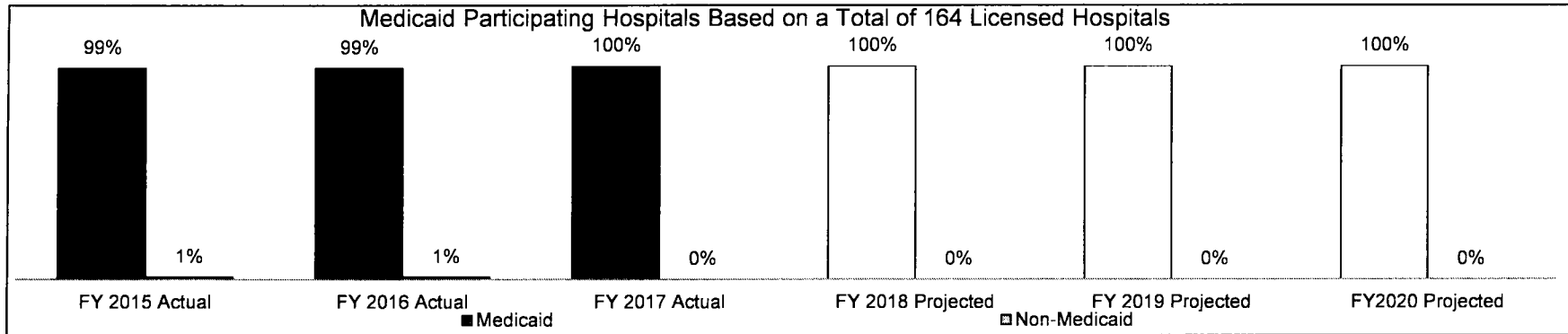
HB Section: 11.510

Program Name: Hospital Care

Program is found in the following core budget(s): Hospital Care

7a. Provide an effectiveness measure.

Provide reimbursement that is sufficient to ensure hospitals enroll in the MO HealthNet program. In SFY 2017, 100% of licensed hospitals in the state participated in the MO HealthNet program.



Note: The number of licensed hospitals includes separate licensing for hospitals with multiple sites.

Inpatient and outpatient services are available to all fee-for-service MO HealthNet participants. In regions of the state where Managed Care has been implemented, participants have hospital services available through the Managed Care health plans

| SFY | No. of Inpatient Days | | No. of Outpatient Services | |
|------|-----------------------|---------|----------------------------|------------|
| | Projected | Actual | Projected | Actual |
| 2014 | 641,191 | 757,361 | 15,126,479 | 14,978,990 |
| 2015 | 757,361 | 940,279 | 14,978,990 | 15,299,836 |
| 2016 | 940,279 | 937,560 | 15,299,836 | 13,901,976 |
| 2017 | 937,560 | 921,087 | 13,901,976 | 13,762,308 |
| 2018 | 921,087 | | 13,762,308 | |
| 2019 | 921,087 | | 13,762,308 | |

PROGRAM DESCRIPTION

Department: Social Services

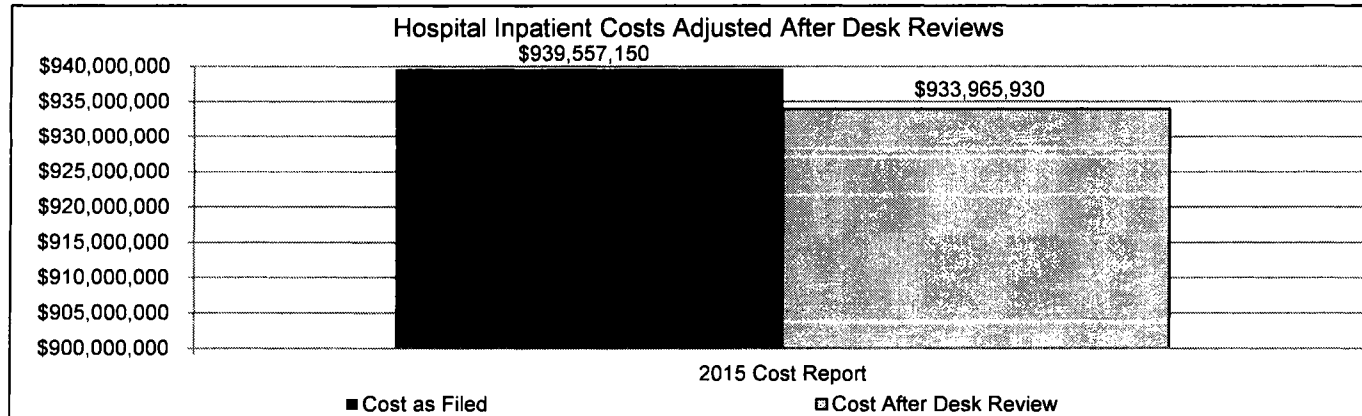
HB Section: 11.510

Program Name: Hospital Care

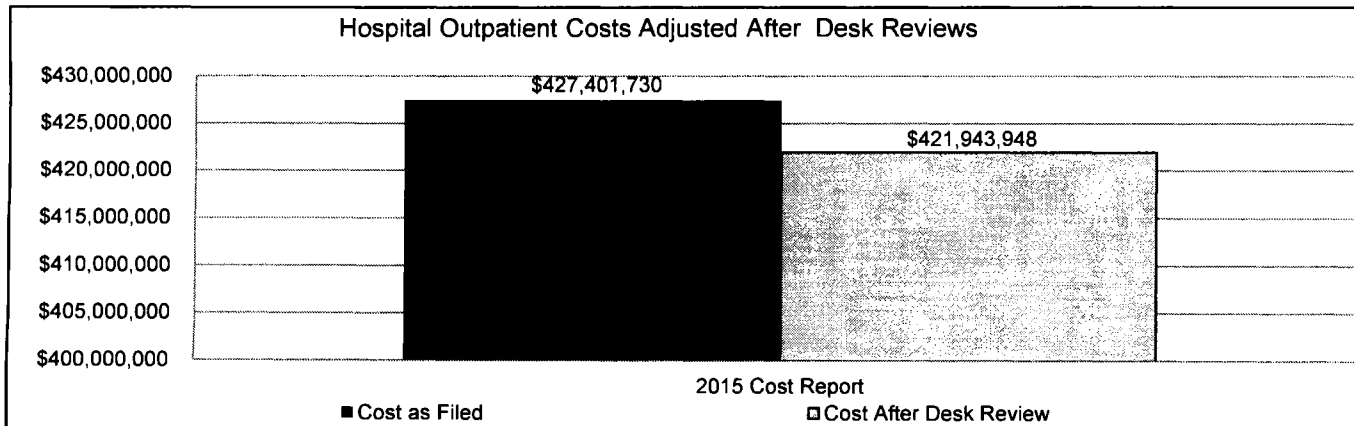
Program is found in the following core budget(s): Hospital Care

7b. Provide an efficiency measure.

Ensure hospital inpatient Medicaid costs included in determining MO HealthNet inpatient reimbursement rates are allowable by performing desk reviews of the providers cost reports. During the 2015 fiscal year cost report desk reviews, over \$5 million of hospital costs were disallowed as a result of MHD desk reviews. Note: Not all of the cost reports for 2015 had been desk reviewed as of the date this information was provided.



Ensure hospital outpatient Medicaid costs included in determining MO HealthNet outpatient reimbursement rates are allowable by performing desk reviews of the providers cost reports. During the 2015 fiscal year desk reviews, over \$5 million of hospital costs were disallowed as a result of MHD desk reviews. Note: Not all of the cost reports for 2015 had been desk reviewed as of the date this information was provided.



PROGRAM DESCRIPTION

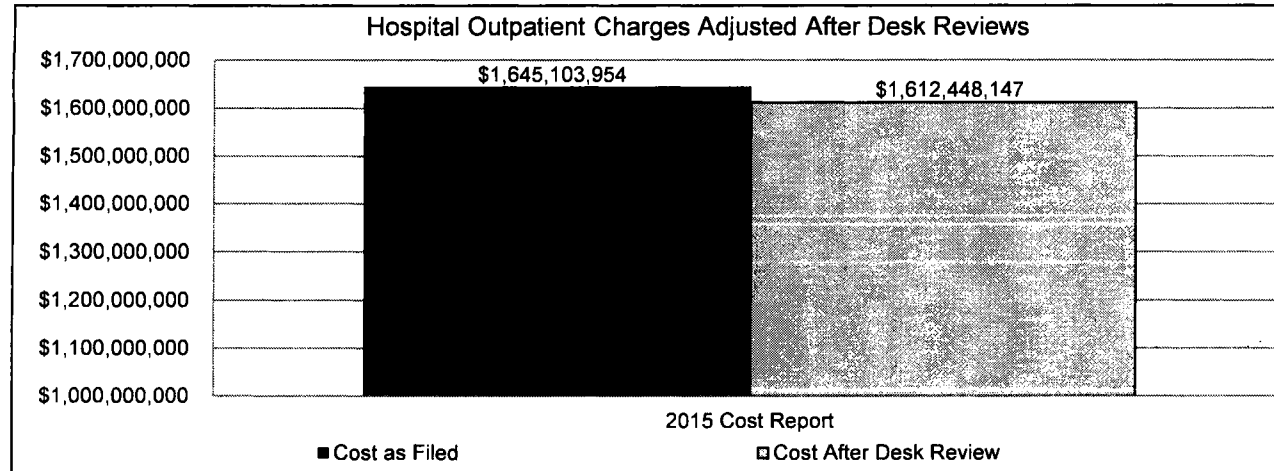
Department: Social Services

HB Section: 11.510

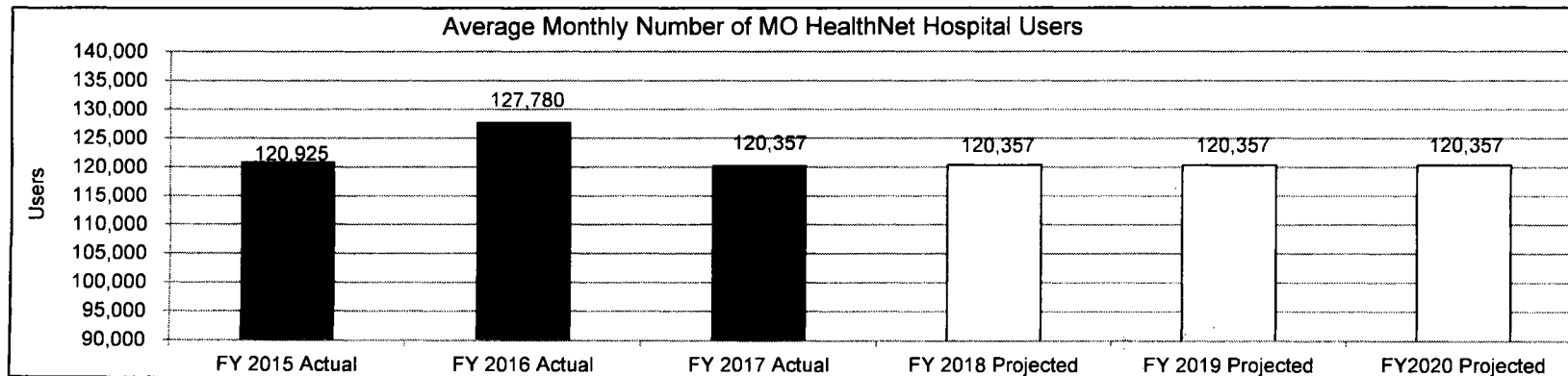
Program Name: Hospital Care

Program is found in the following core budget(s): Hospital Care

Ensure hospital outpatient Medicaid charges included in determining MO HealthNet outpatient reimbursement rates are allowable by performing desk reviews of the providers cost reports. During the 2015 fiscal year, over \$32 million of hospital charges were disallowed as a result of MHD desk reviews. Note: Not all of the cost reports for 2015 had been desk reviewed as of the date this information was provided.



7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

Physicians Payments For Safety Net

CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: Physician Payments for Safety Net Hospitals

Budget Unit: 90558C
 HB Section: 11.515

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | |
|------------------------|----|------------|-------|------------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | | 13,722,792 | | 13,722,792 | |
| TRF | | | | | |
| Total | | 13,722,792 | | 13,722,792 | |
| FTE | | | | 0.00 | |

| | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| <i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i> | | | | |

Other Funds: N/A

| FY 2019 Governor's Recommendation | | | | | |
|-----------------------------------|----|---------|-------|-------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | | | | 0 | |
| TRF | | | | | |
| Total | | | | 0 | |
| FTE | | | | 0.00 | |

| | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| <i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i> | | | | |

Other Funds:

2. CORE DESCRIPTION

Safety net hospitals are critical providers of care to the Medicaid and uninsured populations and must be able to attract and maintain a sufficient supply of qualified physicians in order to provide quality services. This item funds enhanced physician payments to Truman Medical Center and University of Missouri-Kansas City.

3. PROGRAM LISTING (list programs included in this core funding)

Physician Payments for Safety Net

CORE DECISION ITEM

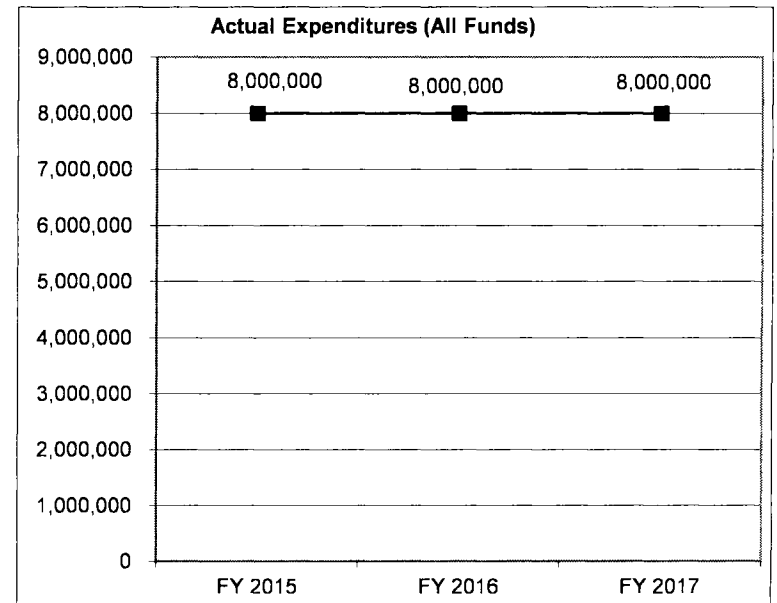
Department: Social Services
Division: MO HealthNet
Core: Physician Payments for Safety Net Hospitals

Budget Unit: 90558C

HB Section: 11.515

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds) | 8,000,000 | 8,000,000 | 8,000,000 | 13,722,792 |
| Less Reverted (All Funds) | 0 | 0 | 0 | 0 |
| Less Restricted (All Funds) | 0 | 0 | 0 | 0 |
| Budget Authority (All Funds) | 8,000,000 | 8,000,000 | 8,000,000 | 13,722,792 |
| Actual Expenditures (All Funds) | 8,000,000 | 8,000,000 | 8,000,000 | N/A |
| Unexpended (All Funds) | 0 | 0 | 0 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 0 | 0 | 0 | N/A |
| Federal | 0 | 0 | 0 | N/A |
| Other | 0 | 0 | 0 | N/A |



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
PHYSICIAN PAYMENTS SAFETY NET**

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-------------------------|-------------|-----------|-------------------|--------------|-------------------|--------------------|
| <hr/> | | | | | | | |
| TAFP AFTER VETOES | | | | | | | |
| | PD | 0.00 | 0 | 13,722,792 | 0 | 13,722,792 | |
| | Total | 0.00 | 0 | 13,722,792 | 0 | 13,722,792 | |
| <hr/> | | | | | | | |
| DEPARTMENT CORE REQUEST | | | | | | | |
| | PD | 0.00 | 0 | 13,722,792 | 0 | 13,722,792 | |
| | Total | 0.00 | 0 | 13,722,792 | 0 | 13,722,792 | |
| <hr/> | | | | | | | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | PD | 0.00 | 0 | 13,722,792 | 0 | 13,722,792 | |
| | Total | 0.00 | 0 | 13,722,792 | 0 | 13,722,792 | |
| <hr/> | | | | | | | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|-------------------------------|-------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| PHYSICIAN PAYMENTS SAFETY NET | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| TITLE XIX-FEDERAL AND OTHER | 8,000,000 | 0.00 | 13,722,792 | 0.00 | 13,722,792 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 8,000,000 | 0.00 | 13,722,792 | 0.00 | 13,722,792 | 0.00 | 0 | 0.00 |
| TOTAL | 8,000,000 | 0.00 | 13,722,792 | 0.00 | 13,722,792 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$8,000,000 | 0.00 | \$13,722,792 | 0.00 | \$13,722,792 | 0.00 | \$0 | 0.00 |

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DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|-------------------------------|-------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| PHYSICIAN PAYMENTS SAFETY NET | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM DISTRIBUTIONS | 8,000,000 | 0.00 | 13,722,792 | 0.00 | 13,722,792 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 8,000,000 | 0.00 | 13,722,792 | 0.00 | 13,722,792 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$8,000,000 | 0.00 | \$13,722,792 | 0.00 | \$13,722,792 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$8,000,000 | 0.00 | \$13,722,792 | 0.00 | \$13,722,792 | 0.00 | | 0.00 |
| OTHER FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.515

Program Name: Physician Payments for Safety Net Hospitals

Program is found in the following core budget(s): Physician Payments for Safety Net Hospitals

1a. What strategic priority does this program address?

Attract and maintain quality physicians

1b. What does this program do?

Program Description

Provides enhanced physician reimbursement payments for services provided to MO HealthNet participants by certain hospitals designated as safety net hospitals. Services provided by physicians, dentists, and podiatrists not employed by the state who are actively engaged in the training of physicians when the training takes place in a safety net hospital are also eligible for enhanced physician payments. There are two entities which currently qualify as safety net hospitals--Truman Medical Center and University of Missouri Kansas City. Safety net hospitals traditionally see a high volume of Medicaid and uninsured patients, therefore this program was established to provide a mechanism to fund enhanced payments to these hospitals.

Program Statistics

Appropriated funding is based on the following:

- Enhanced Payment for Truman Medical Center Physicians
- Enhanced Payment for University of Missouri-Kansas City Physicians

Program Goals

- To support safety net hospitals which are critical providers of care to the Medicaid and uninsured populations
- To assist safety net hospitals in attracting and maintaining a sufficient supply of qualified physicians in order to provide quality services

Program Objectives

- To provide timely and accurate enhanced payments to safety net hospitals

Reimbursement Methodology

Enhanced physician payments are made in addition to the amount established under the MO HealthNet fee schedule. The additional payment is equal to the lower of the difference between the MO HealthNet allowable reimbursement for the service and 1) the Medicare allowable reimbursement or 2) the provider's actual charge for the service.

Rate History

This program does not utilize a rate reimbursement methodology.

Additional Details

To qualify as a safety net hospital, entities must meet the following requirements as specified in 13 CSR 70-15.010(6)(B):

- Offer non-emergency obstetric services; and
- Have a Medicaid inpatient utilization rate above the state's mean or a low-income utilization rate greater than 25%; and
- Operate less than 50 licensed inpatient beds and have an unsponsored care ratio of at least 65%; or
- Operate at least 50 licensed inpatient beds, have an unsponsored care ratio of at least 65%, and an occupancy rate greater than 40%; or
- Be owned or operated by the University of Missouri Board of Curators; or
- Be a public hospital operated by DMH.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.515

Program Name: Physician Payments for Safety Net Hospitals

Program is found in the following core budget(s): Physician Payments for Safety Net Hospitals

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2), 1923(a)-(f);

Federal regulations: 42 CFR 440.10 and 440.20

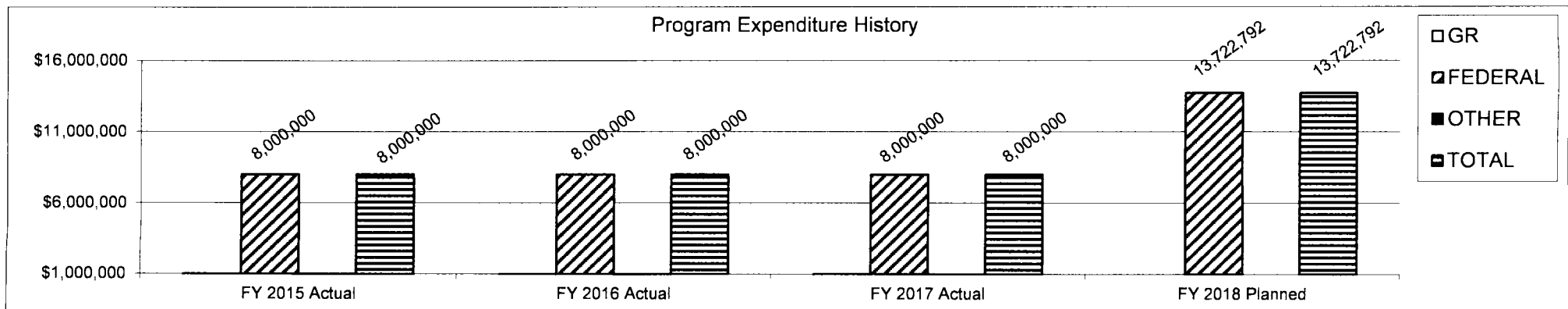
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY18 is a blended 64.260% federal match. The state matching requirement is 35.740%. For those public entities identified above who use state and local general revenue to provide eligible services to MO HealthNet participants, the MO HealthNet Division provides payment of the federal share for these eligible services.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other" funds?

N/A

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.515

Program Name: Physician Payments for Safety Net Hospitals

Program is found in the following core budget(s): Physician Payments for Safety Net Hospitals

7a. Provide an effectiveness measure.

FY 17 Reimbursement

| Facility | Actual Reimbursement |
|------------------------------------|----------------------|
| Truman Medical Center | \$1,257,894 |
| University of Missouri-Kansas City | \$11,486,010 |

7b. Provide an efficiency measure.

FY 17 Participating Physicians

| | |
|------------------------------------|-----|
| Truman Medical Center | 180 |
| University of Missouri-Kansas City | 119 |

7c. Provide the number of clients/individuals served, if applicable.

FY 17 MO HealthNet Participants Served

| | |
|------------------------------------|--------|
| Truman Medical Center | 16,623 |
| University of Missouri-Kansas City | 5,513 |

7d. Provide a customer satisfaction measure, if available.

N/A

FQHC Distribution

CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: Federally Qualified Health Centers (FQHC) Distribution

Budget Unit: 90559C
 HB Section: 11.520

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | |
|------------------------|-----------|-----------|-------|------------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | 6,165,350 | 6,203,372 | | 12,368,722 | |
| TRF | | | | | |
| Total | 6,165,350 | 6,203,372 | 0 | 12,368,722 | |
| FTE | | | | 0.00 | |

| | | | | |
|-------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|-------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A

| FY 2019 Governor's Recommendation | | | | | |
|-----------------------------------|----|---------|-------|-------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | | | | 0 | |
| TRF | | | | | |
| Total | | | | 0 | |
| FTE | | | | 0.00 | |

| | | | | |
|-------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|-------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

This item funds Federally Qualified Health Center (FQHCs) services provided to fee-for-service MO HealthNet participants and Health Home payments.

3. PROGRAM LISTING (list programs included in this core funding)

Federally Qualified Health Centers (FQHC)

CORE DECISION ITEM

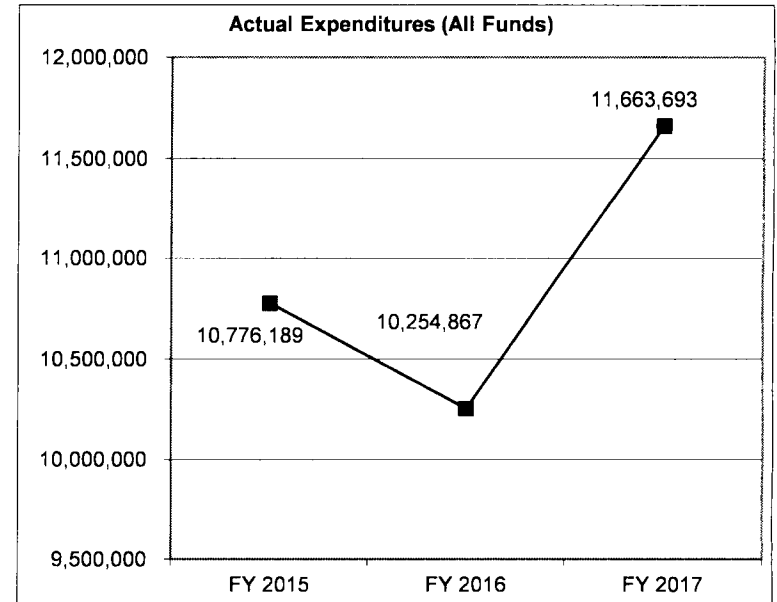
Department: Social Services
Division: MO HealthNet
Core: Federally Qualified Health Centers (FQHC) Distribution

Budget Unit: 90559C

HB Section: 11.520

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|---------------------------|---------------------------|---------------------------|--------------------------------|
| Appropriation (All Funds) | 14,449,149 | 13,842,985 | 15,000,826 | 12,368,722 |
| Less Reverted (All Funds) | (204,584) | (184,410) | (145,278) | (183,831) |
| Less Restricted (All Funds)* | 0 | (25,611) | 0 | (37,636) |
| Budget Authority (All Funds) | 14,244,565 | 13,632,964 | 14,855,548 | 12,147,255 |
| Actual Expenditures (All Funds) | 10,776,189 | 10,254,867 | 11,663,693 | N/A |
| Unexpended (All Funds) | 3,468,376 | 3,378,097 | 3,191,855 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 147,735 | 41,023 | - | N/A |
| Federal | 3,320,641 | 3,299,810 | 3,161,855 | N/A |
| Other | 0 | 37,264 | 0 | N/A |
| | (1) | (2) | | |



**Restricted amount is as of 9/23/17*

Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

Notes:

(1) FY15 lapse due to excess federal authority.

(2) FY16 lapse due to excess federal authority.

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
FQHC DISTRIBUTION**

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-------------------------|-------------|------------------|------------------|--------------|-------------------|--------------------|
| TAFP AFTER VETOES | | | | | | | |
| | PD | 0.00 | 6,165,350 | 6,203,372 | 0 | 12,368,722 | |
| | Total | 0.00 | 6,165,350 | 6,203,372 | 0 | 12,368,722 | |
| DEPARTMENT CORE REQUEST | | | | | | | |
| | PD | 0.00 | 6,165,350 | 6,203,372 | 0 | 12,368,722 | |
| | Total | 0.00 | 6,165,350 | 6,203,372 | 0 | 12,368,722 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | PD | 0.00 | 6,165,350 | 6,203,372 | 0 | 12,368,722 | |
| | Total | 0.00 | 6,165,350 | 6,203,372 | 0 | 12,368,722 | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|-----------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|------------|-------------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| FQHC DISTRIBUTION | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 6,038,552 | 0.00 | 6,165,350 | 0.00 | 6,165,350 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 5,567,260 | 0.00 | 6,203,372 | 0.00 | 6,203,372 | 0.00 | 0 | 0.00 |
| HEALTHY FAMILIES TRUST | 57,881 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 11,663,693 | 0.00 | 12,368,722 | 0.00 | 12,368,722 | 0.00 | 0 | 0.00 |
| TOTAL | 11,663,693 | 0.00 | 12,368,722 | 0.00 | 12,368,722 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$11,663,693 | 0.00 | \$12,368,722 | 0.00 | \$12,368,722 | 0.00 | \$0 | 0.00 |

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DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|-----------------------|--------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| FQHC DISTRIBUTION | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM DISTRIBUTIONS | 11,663,693 | 0.00 | 12,368,722 | 0.00 | 12,368,722 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 11,663,693 | 0.00 | 12,368,722 | 0.00 | 12,368,722 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$11,663,693 | 0.00 | \$12,368,722 | 0.00 | \$12,368,722 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$6,038,552 | 0.00 | \$6,165,350 | 0.00 | \$6,165,350 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$5,567,260 | 0.00 | \$6,203,372 | 0.00 | \$6,203,372 | 0.00 | | 0.00 |
| OTHER FUNDS | \$57,881 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.520

Program Name: Federally Qualified Health Centers (FQHC) Distribution

Program is found in the following core budget(s): Federally Qualified Health Centers (FQHC) Distribution

1a. What strategic priority does this program address?

Serve the medically-underserved area

1b. What does this program do?

Program Description

Federally Qualified Health Centers: FQHCs are community health centers that provide comprehensive primary care to low-income and medically under-served urban and rural communities. Because of an inadequate number of providers, Missourians have found it difficult to find health care providers and are subject to lengthy delays in receiving health care services. In rural areas, these issues are more pronounced as people must frequently travel to larger cities in order to receive necessary care.

Therefore, this core request provides a state grant to assist the FQHCs with infrastructure and personnel development so the uninsured and under-insured population will have increased access to health care, especially in medically under-served areas.

Funding is for equipment and infrastructure in the FQHC and to cover the expense of providing health care services in the FQHC setting.

The Community Health Worker Initiative, which was newly appropriated in FY17, will utilize existing FQHC state grants to leverage additional federal funds to identify, facilitate, and provide support to medically and socially complex higher cost, higher utilizer Medicaid populations with support, resources and interventions needed to improve and maintain their health status. *For more information, see Additional Details.*

Health Homes: Section 2703 of the ACA provides MO HealthNet the option to pay providers to coordinate care through a "health home" for individuals with chronic conditions. MO HealthNet operates the Primary Care Health Home Program for participants diagnosed with two chronic conditions or diagnosed with one chronic condition and at-risk for development of a second. Most of the primary care sites in the Health Home Program are FQHC sites. Clinical care management per member per month (PMPM) payments are made for the reimbursement of required contracted services and the cost of staff primarily responsible for delivery of these specified health home services that are not covered by other MO HealthNet reimbursement methodologies. This core request funds PMPM payments made to health homes operated by FQHCs.

Program Statistics

As of June 2017, there were a total of 225 FQHC sites, comprised of 38 base sites and 187 satellite sites enrolled in MO HealthNet. Twenty three (23) FQHCs operated health homes in FY17 serving 11,303 MO HealthNet participants (based on paid month- August 2017).

Program Goals

Offer services to all persons regardless of the person's ability to pay and serve a medically-underserved area or population. Provide intensive care coordination and care management as well as address social determinants of health for a medically complex population.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.520

Program Name: Federally Qualified Health Centers (FQHC) Distribution

Program is found in the following core budget(s): Federally Qualified Health Centers (FQHC) Distribution

Program Objectives

FQHC Grants

- Support nontraditional hours of operation (weekend and special evening hours) because many Missourians do not have the luxury of accessing care during normal business hours
- Meet the federal requirement for FQHCs to defray the costs of caring for the uninsured by accepting uninsured patients and insured patients
- Fund staff and infrastructure to provide services not usually accessible to FQHC patients such as dental services
- Fund loan forgiveness/loan repayment program to offset student loan debt or tuition costs for healthcare practitioners who are committed to working FQHCs.

Health Home

- Achieve accessible, high quality primary care
- Demonstrate cost-effectiveness in order to validate and support the sustainability and spread of the model
- Support primary care practices by increasing available resources and improving care coordination thus improving the quality of clinician work life and patient outcomes

Reimbursement Methodology

DSS contracts with the Missouri Primary Care Association (MPCA) to act as a fiscal intermediary for the distribution of the FQHC grants, assuring accurate and timely payments to the subcontractors, and to act as a central data collection point for evaluating program impact and outcomes. MPCA is recognized as Missouri's single primary care association by the Federal Health Resource Service Administration. The goals of the nation's Primary Care Associations are to partner in the development, maintenance and improvement of access to health care services, reducing disparities in health status between majority and minority populations.

Health home sites receive per member per month (PMPM) payments for the additional services they are required to perform. FQHCs that are enrolled in MO HealthNet's Primary Care Health Home Program receive a per-member, per month (PMPM) reimbursement for each eligible health home patient enrolled in the program who receives health home services in a given month. The funding for the current FQHC distribution contract is used as the state share for MO HealthNet primary care health home payments. These payments started in March 2012 for services performed in January 2012. In accordance with the state plan approved by the Centers for Medicare and Medicaid Services (CMS) MO HealthNet adjusted the PMPM rate annually based on the consumer price index (CPI) through SFY 2016.

Rate History

Primary Care PMPM Rate

Effective with Service Month

| | |
|---------|--------------|
| \$63.72 | January 2016 |
| \$62.47 | January 2015 |
| \$61.25 | January 2014 |
| \$60.05 | March 2013 |
| \$58.87 | January 2012 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.520

Program Name: Federally Qualified Health Centers (FQHC) Distribution

Program is found in the following core budget(s): Federally Qualified Health Centers (FQHC) Distribution

Additional Details

A primary care health home can be operated by an FQHC, hospital-based clinic, or other facility. Health home PMPMs are funded from the FQHC Distribution program when operated by an FQHC. Health home PMPMs are funded through Federal Reimbursement Allowance (FRA) when operated by a hospital-based clinic or intergovernmental transfers when operated by a public entity (*see the program description in the IGT Health Care Home tab for more information*). Other facility health home PMPMs are funded in the Physicians-Related Services program (*see the program description in the Physicians-Related Services tab for more information*).

Community Health Worker Initiative

Building upon the success of the Health Home Program, the Community Health Worker Initiative will recruit local health workers to provide an intervention which hopes to more quickly reduce the dependence on in-patient hospital and emergency department use by targeted focus on addressing social determinants of health and enhancing stabilization of health status in a less costly outpatient basis. The initiative will include an evaluation component consistent with the existing Health Home Program.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.153, 208.201, 660.026; Federal law: Social Security Act Section 1905(a)(2); Federal regulation: 42 CFR 440.210

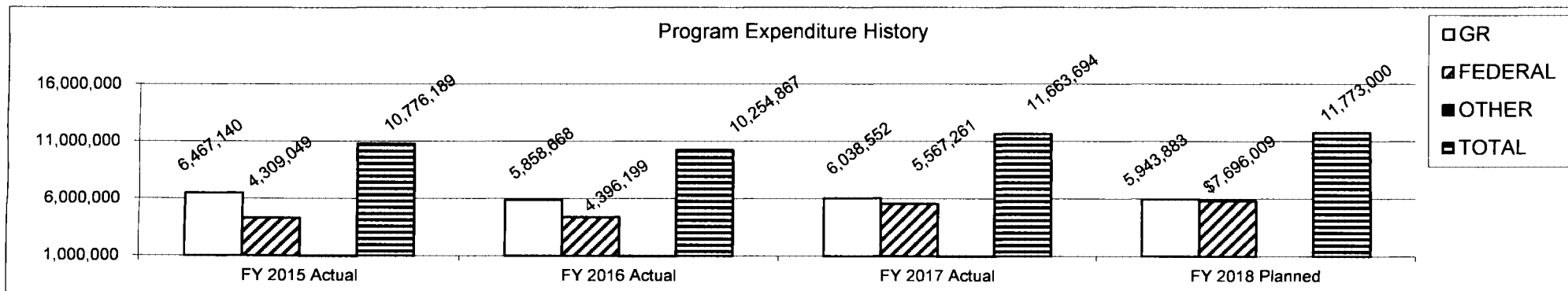
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY18 is a blended 64.260% federal match. The state matching requirement is 35.740%.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY18 planned is net of reverted, restricted and reserve.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.520

Program Name: Federally Qualified Health Centers (FQHC) Distribution

Program is found in the following core budget(s): Federally Qualified Health Centers (FQHC) Distribution

6. What are the sources of the "Other " funds?

N/A

7a. Provide an effectiveness measure.

State grants funded with this appropriation assist in leveraging federal funds from the Federal Bureau of Primary Health Care. The total amount of state grants and federal funds leveraged in calendar year 2015 was \$4,026,900 and \$80,886,840, respectively.

State Grants

| Calendar Year | Total Economic Impact |
|---------------|-----------------------|
| 2012 | \$3,269,238 |
| 2013 | \$3,215,867 |
| 2014 | \$4,026,900 |
| 2015 | \$4,026,900 |

Total Funds Leveraged for Missouri FQHCs

| Calendar Year | Total Economic Impact |
|---------------|-----------------------|
| 2012 | \$48,990,941 |
| 2013 | \$52,154,746 |
| 2014 | \$65,047,601 |
| 2015 | \$80,886,840 |

*Source: Bureau of Primary Health Care, bphc.hrsa.gov
CY2016 and CY2017 HRSA data is not currently available.*

7b. Provide an efficiency measure.

FQHCs provide primary health care for the uninsured in their local communities. Missouri FQHCs provided primary health care to uninsured individuals in their local communities at a cost of \$751 per user in calendar year 2015.

Cost per User

| Calendar Year | Cost |
|---------------|-------|
| 2012 | \$658 |
| 2013 | \$685 |
| 2014 | \$735 |
| 2015 | \$751 |

*Source: Bureau of Primary Health Care, bphc.hrsa.gov
CY2016 and CY2017 HRSA data is not currently available.*

PROGRAM DESCRIPTION

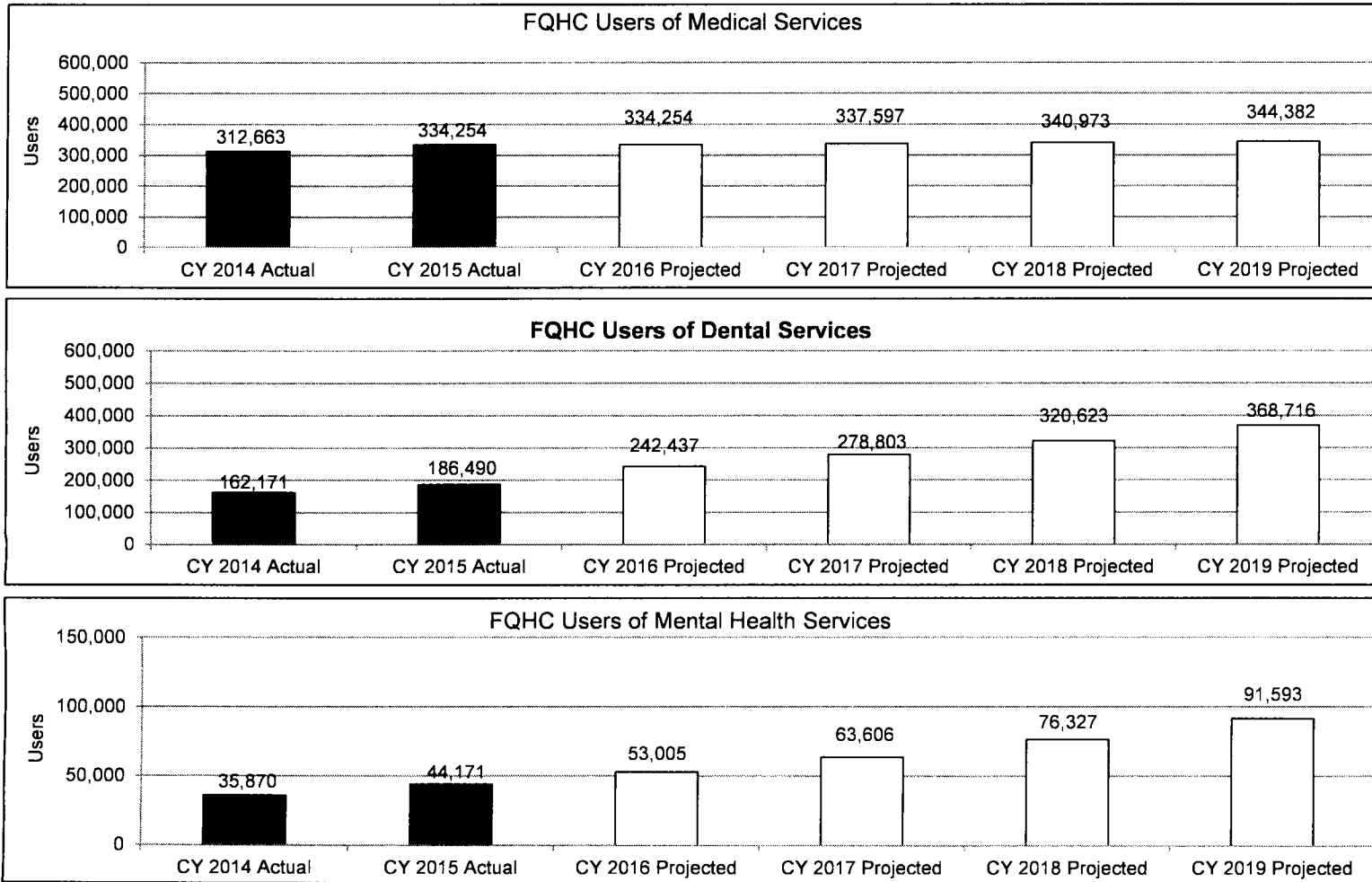
Department: Social Services

HB Section: 11.520

Program Name: Federally Qualified Health Centers (FQHC) Distribution

Program is found in the following core budget(s): Federally Qualified Health Centers (FQHC) Distribution

7c. Provide the number of clients/individuals served, if applicable.



Source: Bureau of Primary Health Care (bphc.hrsa.gov)

CY2016 and CY2017 HRSA data is not currently available.

7d. Provide a customer satisfaction measure, if available.

N/A

FRA Health Care Home

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: FRA Health Care Home

Budget Unit: 90574C
HB Section: 11.525

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | |
|------------------------|----|-----------|-----------|-----------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | | 5,208,568 | 2,896,598 | 8,105,166 | |
| TRF | | | | | |
| Total | | 5,208,568 | 2,896,598 | 8,105,166 | |

FTE 0.00

| | | | | |
|--------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|--------------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance (0142)

| FY 2019 Governor's Recommendation | | | | | |
|-----------------------------------|----|-----|-------|-------|---|
| | GR | Fed | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | | | | 0 | |
| TRF | | | | | |
| Total | | | | 0 | |

FTE 0.00

| | | | | |
|--------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|--------------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

The item funds per member per month (PMPM) payments for health home sites affiliated with public entities or hospital-based clinics. These health home sites utilize the Federal Reimbursement Allowance Fund (FRA) as the state share to draw down federal matching funds.

3. PROGRAM LISTING (list programs included in this core funding)

FRA Health Home

CORE DECISION ITEM

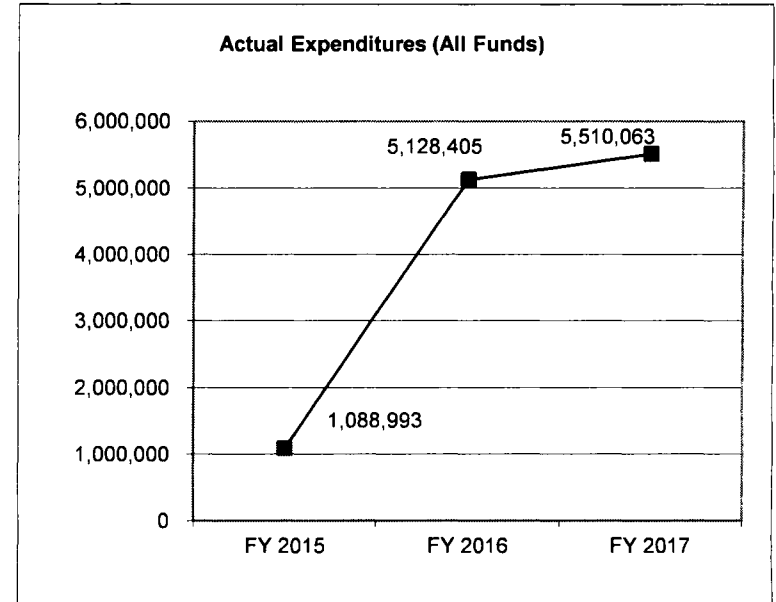
Department: Social Services
Division: MO HealthNet
Core: FRA Health Care Home

Budget Unit: 90574C

HB Section: 11.525

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds) | 7,600,000 | 9,353,934 | 7,353,934 | 8,105,166 |
| Less Reverted (All Funds) | 0 | 0 | 0 | 0 |
| Less Restricted (All Funds) | 0 | 0 | 0 | 0 |
| Budget Authority (All Funds) | 7,600,000 | 9,353,934 | 7,353,934 | 8,105,166 |
| Actual Expenditures (All Funds) | 1,088,993 | 5,128,405 | 5,510,063 | N/A |
| Unexpended (All Funds) | 6,511,007 | 4,225,529 | 1,843,871 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 0 | 0 | 0 | N/A |
| Federal | 6,000,000 | 3,625,529 | 1,243,871 | N/A |
| Other | 511,007 | 600,000 | 600,000 | N/A |



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES FRA HEALTH CARE HOME

5. CORE RECONCILIATION DETAIL

| | | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-----------|-----------------|-------------|----------|------------------|------------------|------------------|-----------------------------------|
| TAFP AFTER VETOES | | | | | | | | |
| | | PD | 0.00 | 0 | 5,208,568 | 2,896,598 | 8,105,166 | |
| | | Total | 0.00 | 0 | 5,208,568 | 2,896,598 | 8,105,166 | |
| DEPARTMENT CORE ADJUSTMENTS | | | | | | | | |
| Core Reallocation | 1577 8260 | PD | 0.00 | 0 | 4,000,000 | 0 | 4,000,000 | IGT Health Care Home not utilized |
| Core Reallocation | 1577 8109 | PD | 0.00 | 0 | (4,000,000) | 0 | (4,000,000) | IGT Health Care Home not utilized |
| NET DEPARTMENT CHANGES | | | 0.00 | 0 | 0 | 0 | 0 | |
| DEPARTMENT CORE REQUEST | | | | | | | | |
| | | PD | 0.00 | 0 | 5,208,568 | 2,896,598 | 8,105,166 | |
| | | Total | 0.00 | 0 | 5,208,568 | 2,896,598 | 8,105,166 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | | |
| | | PD | 0.00 | 0 | 5,208,568 | 2,896,598 | 8,105,166 | |
| | | Total | 0.00 | 0 | 5,208,568 | 2,896,598 | 8,105,166 | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|---------------------------------|-------------|---------|-------------|---------|-------------|----------|---------|---------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| FRA HEALTH CARE HOME | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| TITLE XIX-FEDERAL AND OTHER | 3,656,129 | 0.00 | 5,208,568 | 0.00 | 5,208,568 | 0.00 | 0 | 0.00 |
| FEDERAL REIMBURSEMENT ALLOWANCE | 1,853,934 | 0.00 | 2,896,598 | 0.00 | 2,896,598 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 5,510,063 | 0.00 | 8,105,166 | 0.00 | 8,105,166 | 0.00 | 0 | 0.00 |
| TOTAL | 5,510,063 | 0.00 | 8,105,166 | 0.00 | 8,105,166 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$5,510,063 | 0.00 | \$8,105,166 | 0.00 | \$8,105,166 | 0.00 | \$0 | 0.00 |

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DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|-----------------------|-------------|---------|-------------|---------|-------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| FRA HEALTH CARE HOME | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM DISTRIBUTIONS | 5,510,063 | 0.00 | 8,105,166 | 0.00 | 8,105,166 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 5,510,063 | 0.00 | 8,105,166 | 0.00 | 8,105,166 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$5,510,063 | 0.00 | \$8,105,166 | 0.00 | \$8,105,166 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$3,656,129 | 0.00 | \$5,208,568 | 0.00 | \$5,208,568 | 0.00 | | 0.00 |
| OTHER FUNDS | \$1,853,934 | 0.00 | \$2,896,598 | 0.00 | \$2,896,598 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.525

Program Name: FRA Health Care Home

Program is found in the following core budget(s): FRA Health Care Home

1a. What strategic priority does this program address?

Intensive care coordination/care management

1b. What does this program do?

Program Description

Section 2703 of the Affordable Care Act (ACA) gives MO HealthNet the option to pay providers to coordinate care through a "health home" for individuals with chronic conditions. MO HealthNet operates the Primary Care Health Home Program for participants diagnosed with two chronic conditions or diagnosed with one chronic condition and at-risk for development of a second. Clinical care management per member per month (PMPM) payments are made for the reimbursement of required contracted services and the cost of staff primarily responsible for delivery of these specified health home services that are not covered by other MO HealthNet reimbursement methodologies. This core request funds PMPM payments made to health homes operated by a hospital-based clinic.

Program Statistics

Ten hospital-based clinics operated health homes in FY17 serving 8,505 MO HealthNet participants (based on paid month-June 2017).

Program Goals

Provide intensive care coordination and care management as well as address social determinants of health for a medically complex population.

Program Objectives

- Achieve accessible, high quality primary care
- Demonstrate cost-effectiveness in order to validate and support the sustainability and spread of the model
- Support primary care practices by increasing available resources and improving care coordination thus improving the quality of clinician work life and patient outcomes

Reimbursement Methodology

Hospital-based clinics that are enrolled in MO HealthNet's Primary Care Health Home Program receive a per-member, per month (PMPM) reimbursement for each eligible health home patient enrolled in the program who receives health home services in a given month. These health home sites utilize FRA as the state share to draw down federal match. These payments started in March 2012 for services performed in January 2012. In accordance with the state plan amendment approved by the Centers for Medicare and Medicaid Services (CMS), MO HealthNet may adjust the PMPM rate annually based on the consumer price index (CPI).

Rate History

| Primary Care PMPM Rate | Effective with Service Month |
|-------------------------------|-------------------------------------|
| \$63.72 | January-17 |
| \$63.72 | January-16 |
| \$62.47 | January-15 |
| \$61.25 | January-14 |
| \$60.05 | March-13 |
| \$58.87 | January-12 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.525

Program Name: FRA Health Care Home

Program is found in the following core budget(s): FRA Health Care Home

Additional Details

A primary care health home can be operated by an FQHC, hospital-based clinic, or other facility. Health home PMPMs are funded through Federal Reimbursement Allowance (FRA) when operated by a hospital-based clinic. Health home PMPMs are funded from the FQHC Distribution program when operated by an FQHC (*see the program description in the FQHC Distribution tab for more information*). Other facility health home PMPMs are funded in the Physicians-Related Services program (*see the program description in the Physicians-Related Services tab for more information*).

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Federal law: ACA Section 2703; Section 1945 of Title XIX of the Social Security Act

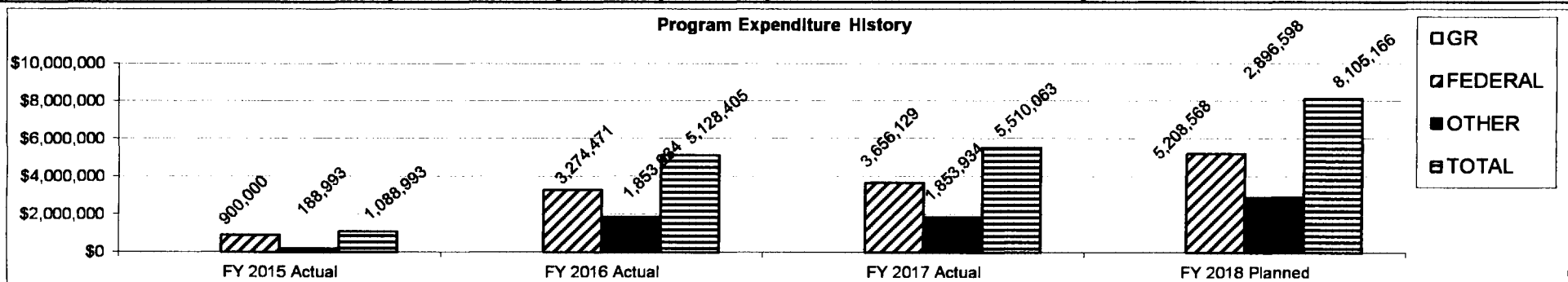
3. Are there federal matching requirements? If yes, please explain.

Since December 2013, expenditures are matched at Missouri's FMAP. Generally, Missouri's FMAP for FY 18 is a blended 64.260% federal match. The state matching requirement is 35.740%.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other" funds?

Federal Reimbursement Allowance Fund (0142)

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.525

Program Name: FRA Health Care Home

Program is found in the following core budget(s): FRA Health Care Home

7a. Provide an effectiveness measure.

Health Home Providers

| | |
|----------------------------------------------------------------------------|-----|
| Number of Medical Organizations Participating in Primary Care Health Homes | 36 |
| Number of Medical Sites Participating in Primary Care Health Homes | 105 |

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

| | |
|-------------------------------------------------|--------|
| Number of Primary Care Health Home Participants | 25,000 |
|-------------------------------------------------|--------|

7d. Provide a customer satisfaction measure, if available.

N/A

Federal Reimbursement Allowance

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Federal Reimbursement Allowance (FRA)

Budget Unit: 90553C
HB Section: 11.530

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | | FY 2019 Governor's Recommendation | | | | | |
|------------------------|----|---------|---------------|---------------|---|-----------------------------------|----|---------|-------|-------|---|
| | GR | Federal | Other | Total | E | | GR | Federal | Other | Total | E |
| PS | | | | | | PS | | | | | |
| EE | | | | | | EE | | | | | |
| PSD | | | 1,280,818,734 | 1,280,818,734 | E | PSD | | | | 0 | E |
| TRF | | | | | | TRF | | | | | |
| Total | 0 | 0 | 1,280,818,734 | 1,280,818,734 | E | Total | | | 0 | 0 | E |
| FTE | | | | 0.00 | | FTE | | | | 0.00 | |

| | | | | |
|---------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation. | | | | |

| | | | | |
|---------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation. | | | | |

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)
Note: An "E" is requested for the Federal Reimbursement Allowance Fund.

Other Funds:
Note:

2. CORE DESCRIPTION

The Federal Reimbursement Allowance (FRA) program funds reimbursement of hospital services and managed care premiums provided to MO HealthNet participants and the uninsured. The FRA program serves as a General Revenue equivalent by supplementing payments for the cost of providing care to Medicaid participants under Title XIX of the Social Security Act and to the uninsured.

3. PROGRAM LISTING (list programs included in this core funding)

Hospital - Federal Reimbursement Allowance

CORE DECISION ITEM

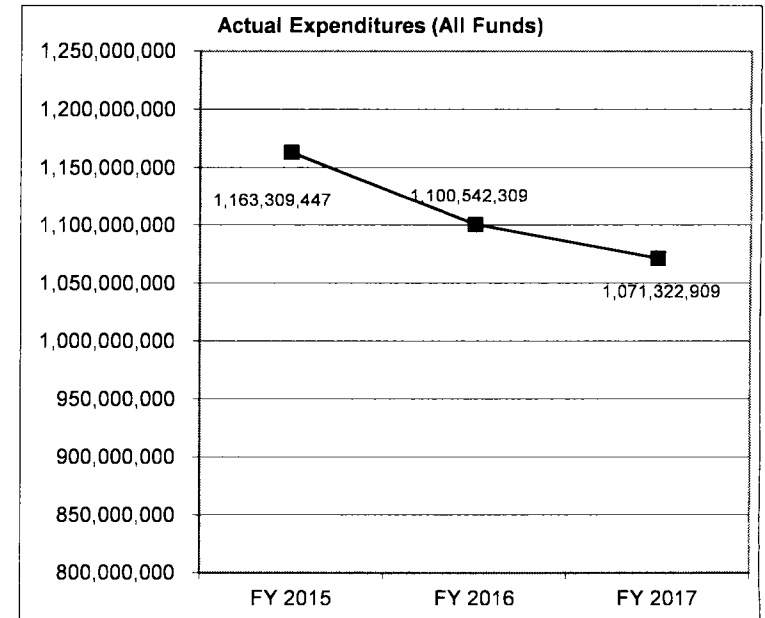
Department: Social Services
Division: MO HealthNet
Core: Federal Reimbursement Allowance (FRA)

Budget Unit: 90553C

HB Section: 11.530

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. | |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|---|
| Appropriation (All Funds) | 1,163,309,447 | 1,100,542,447 | 1,125,818,734 | 1,280,818,734 | E |
| Less Reverted (All Funds) | 0 | 0 | 0 | 0 | |
| Less Restricted (All Funds) | 0 | 0 | 0 | 0 | |
| Budget Authority (All Funds) | 1,163,309,447 | 1,100,542,447 | 1,125,818,734 | 1,280,818,734 | |
| Actual Expenditures (All Funds) | 1,163,309,447 | 1,100,542,309 | 1,071,322,909 | N/A | |
| Unexpended (All Funds) | 0 | 138 | 54,495,825 | N/A | |
| Unexpended, by Fund: | | | | | |
| General Revenue | 0 | 0 | 0 | N/A | |
| Federal | 0 | 0 | 0 | N/A | |
| Other | 0 | 0 | 103,038,825 | N/A | |
| | (1) | (2) | | | |



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY15 An "E" increase of \$140,490,713 was made.

(2) FY16 An "E" increase of \$77,723,713 was made.

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES FED REIMB ALLOWANCE

5. CORE RECONCILIATION DETAIL

| | | | | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-----|------|--------------|-----------------|-------------|----------|----------|----------------------|----------------------|------------------------------------------------------------------------------|
| TAFP AFTER VETOES | | | | PD | 0.00 | 0 | 0 | 1,280,818,734 | 1,280,818,734 | |
| | | | | Total | 0.00 | 0 | 0 | 1,280,818,734 | 1,280,818,734 | |
| DEPARTMENT CORE ADJUSTMENTS | | | | | | | | | | |
| Core Reallocation | 488 | 1605 | EE | | 0.00 | 0 | 0 | 200,000 | 200,000 | Core reallocations will more closely align budget with planned expenditures. |
| Core Reallocation | 488 | 1605 | PD | | 0.00 | 0 | 0 | (200,000) | (200,000) | Core reallocations will more closely align budget with planned expenditures. |
| NET DEPARTMENT CHANGES | | | | | 0.00 | 0 | 0 | 0 | 0 | |
| DEPARTMENT CORE REQUEST | | | | EE | 0.00 | 0 | 0 | 200,000 | 200,000 | |
| | | | PD | | 0.00 | 0 | 0 | 1,280,618,734 | 1,280,618,734 | |
| | | | Total | | 0.00 | 0 | 0 | 1,280,818,734 | 1,280,818,734 | |
| GOVERNOR'S RECOMMENDED CORE | | | | EE | 0.00 | 0 | 0 | 200,000 | 200,000 | |
| | | | PD | | 0.00 | 0 | 0 | 1,280,618,734 | 1,280,618,734 | |
| | | | Total | | 0.00 | 0 | 0 | 1,280,818,734 | 1,280,818,734 | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|---------------------------------------|------------------------|-------------|------------------------|-------------|------------------------|-------------|------------|-------------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| FED REIMB ALLOWANCE | | | | | | | | |
| CORE | | | | | | | | |
| EXPENSE & EQUIPMENT | | | | | | | | |
| FEDERAL REIMBURSMENT ALLOWANCE | 190,760 | 0.00 | 0 | 0.00 | 200,000 | 0.00 | 0 | 0.00 |
| TOTAL - EE | 190,760 | 0.00 | 0 | 0.00 | 200,000 | 0.00 | 0 | 0.00 |
| PROGRAM-SPECIFIC | | | | | | | | |
| FEDERAL REIMBURSMENT ALLOWANCE | 1,071,132,150 | 0.00 | 1,280,818,734 | 0.00 | 1,280,618,734 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 1,071,132,150 | 0.00 | 1,280,818,734 | 0.00 | 1,280,618,734 | 0.00 | 0 | 0.00 |
| TOTAL | 1,071,322,910 | 0.00 | 1,280,818,734 | 0.00 | 1,280,818,734 | 0.00 | 0 | 0.00 |
| MHD COST TO CONTINUE - 1886001 | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| FEDERAL REIMBURSMENT ALLOWANCE | 0 | 0.00 | 0 | 0.00 | 114,528,895 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 114,528,895 | 0.00 | 0 | 0.00 |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 114,528,895 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$1,071,322,910 | 0.00 | \$1,280,818,734 | 0.00 | \$1,395,347,629 | 0.00 | \$0 | 0.00 |

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DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|-----------------------|-----------------|---------|-----------------|---------|-----------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| FED REIMB ALLOWANCE | | | | | | | | |
| CORE | | | | | | | | |
| PROFESSIONAL SERVICES | 190,760 | 0.00 | 0 | 0.00 | 200,000 | 0.00 | 0 | 0.00 |
| TOTAL - EE | 190,760 | 0.00 | 0 | 0.00 | 200,000 | 0.00 | 0 | 0.00 |
| PROGRAM DISTRIBUTIONS | 1,071,132,150 | 0.00 | 1,280,818,734 | 0.00 | 1,280,618,734 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 1,071,132,150 | 0.00 | 1,280,818,734 | 0.00 | 1,280,618,734 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$1,071,322,910 | 0.00 | \$1,280,818,734 | 0.00 | \$1,280,818,734 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| OTHER FUNDS | \$1,071,322,910 | 0.00 | \$1,280,818,734 | 0.00 | \$1,280,818,734 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.530

Program Name: Federal Reimbursement Allowance (FRA)

Program is found in the following core budget(s): Federal Reimbursement Allowance (FRA)

1a. What strategic priority does this program address?

Maintain quality hospital care

1b. What does this program do?

Program Description

The Federal Reimbursement Allowance (FRA) program assesses hospitals in the state of Missouri a fee for the privilege of doing business in the state. The assessment is a general revenue equivalent, and when used to make valid Medicaid payments, earns federal Medicaid matching funds. The assessment collected from the hospital and the federal earnings fund the FRA program. The funds collected by the state are used to supplement inpatient and outpatient hospital services as well as a General Revenue equivalent for other MO HealthNet services such as managed care and the Children's Health Insurance Program (CHIP).

Program Statistics

Currently 142 hospitals participate in the FRA program. In FY17, the FRA program generated over \$1.1 billion into the MO HealthNet program or 12.451% of the total MO HealthNet Division expenditures. The FRA program has been reauthorized by the General Assembly through September 30, 2018.

Program Goals

To maintain hospital reimbursement at a sufficient level to ensure quality health care and provider participation in the MO HealthNet program.

Program Objectives

Appropriately make payments to in-state hospitals utilizing the funding generated by the FRA program.

Assess hospitals annually at the appropriate assessment rate and utilize such funding to reimbursement hospitals for services provided to MO HealthNet participants and the uninsured.

Reimbursement Methodology

The FRA assessment is a percent of each hospital's inpatient adjusted net revenues and outpatient adjusted net revenues. The assessment rate effective July 1, 2017 is 5.70% which is a change from the SFY 2017 assessment rate of 5.95%. The net inpatient and net outpatient revenue are determined from the hospital's cost reports that are filed annually with the MO HealthNet Division. The MO HealthNet Division uses funds generated from the FRA program as the equivalent of General Revenue funds.

The FRA funds are distributed to the hospitals through a combination of payments to compensate certain costs as outlined below.

- *Higher Inpatient Per Diems* - 64% of inpatient costs are made through FRA funding. Higher per diems were granted in October 1992 when the FRA program started. In April 1998, hospitals were rebased to the 1995 cost reports
- *Increased Outpatient Payment* - 39% of outpatient costs are made through FRA funding. An outpatient prospective reimbursement methodology was implemented on July 1, 2002
- *Direct Medicaid Payments* - The hospital receives additional lump sum payments to cover their unreimbursed costs for providing services to MO HealthNet participants. These payments, along with per diem payments, provide 100% of the allowable Medicaid cost for MO HealthNet participants.
- *Uninsured Add-On* - Payments for the cost of providing services to the uninsured and for uncompensated care costs.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.530

Program Name: Federal Reimbursement Allowance (FRA)

Program is found in the following core budget(s): Federal Reimbursement Allowance (FRA)

- *Upper Payment Limit* – As funding is available, an annual payment is made to hospitals to recognize costs up to what Medicare payment principles allow.
- *Enhanced GME* - An annual payment to hospitals for Graduate Medical Education (GME) cost inflation not reimbursed in the per diem, Direct Medicaid, or quarterly GME payments.

The FRA program also funds the costs of the federally required independent DSH audits; the Missouri Gateway to Better Health Medicaid demonstration program; and the state share of primary care health home per member per month (PMPM) payments to hospital-based primary care health homes. *For more information on the Gateway project, see Additional Details.*

Additional Details

Missouri's Gateway to Better Health Medicaid demonstration project.

The State is authorized to spend up to \$30 million (total computable) annually to preserve and improve primary care and specialty care in the St. Louis area in lieu of spending that amount of statutorily authorized funding on payments to disproportionate share hospitals (DSHs), making this demonstration budget-neutral. Prior to the new federal DSH audit rules, DSH funding was voluntarily paid by hospitals to safety net clinics that provided uncompensated ambulatory care at specific facilities. The new federal DSH audit requirements limit the amount of DSH hospitals can receive to each individual hospital's uncompensated Medicaid and uninsured costs. Under the demonstration, CMS allows the state to continue to use DSH funds to preserve and improve primary and specialty health care services in St. Louis.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.453; Federal law: Social Security Act Section 1903(w); Federal Regulation: 42 CFR 433 Subpart B.

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Prior to January 1, 2014, health home expenditures were matched at 90% federal funds. Health homes are now matched at the current FMAP rate. Missouri's FMAP for FY18 is a blended 64.260% federal match. The state matching requirement is 35.740%. The hospital assessments serve as the general revenue equivalent to earn Medicaid federal reimbursement when used to make valid Medicaid payments.

4. Is this a federally mandated program? If yes, please explain.

No.

PROGRAM DESCRIPTION

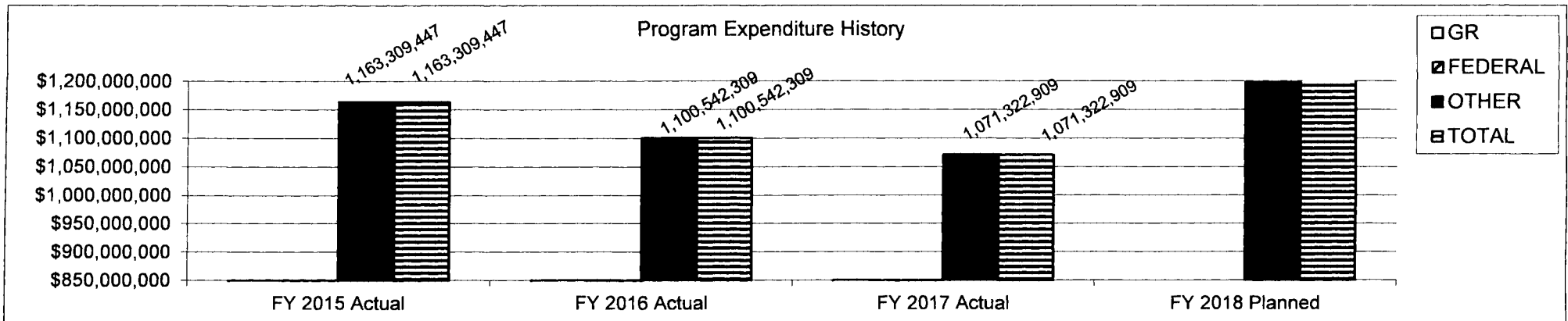
Department: Social Services

HB Section: 11.530

Program Name: Federal Reimbursement Allowance (FRA)

Program is found in the following core budget(s): Federal Reimbursement Allowance (FRA)

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Federal Reimbursement Allowance Fund (0142)

7a. Provide an effectiveness measure.

The Federal Reimbursement Allowance (FRA) is used as state match for administration costs and Medicaid services minimizing the need for General Revenue. In FY 2016, the FRA program provided over \$284 million in state match to fund various appropriations.

| FRA as a Funding Source in the Various Appropriations | FY | | | | | |
|-------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
| Revenue Max / Admin | \$100,133 | \$101,244 | \$101,956 | \$102,920 | \$103,454 | \$105,369 |
| Managed Care | \$93,533,441 | \$108,629,699 | \$97,626,207 | \$97,394,117 | \$97,394,117 | \$97,394,117 |
| Hospital | \$185,298,958 | \$188,702,995 | \$176,584,954 | \$175,385,755 | \$177,385,755 | \$177,385,755 |
| Women's Health Services | \$167,756 | \$403,656 | \$167,756 | \$167,756 | \$167,756 | \$167,756 |
| Medical Homes | | \$100,000 | \$100,000 | \$100,000 | \$1,853,934 | \$3,340,000 |
| CHIP | \$7,719,204 | \$10,269,005 | \$7,719,204 | \$7,719,204 | \$7,719,204 | \$7,719,204 |
| Total | \$286,819,492 | \$308,206,599 | \$282,300,077 | \$280,869,752 | \$284,624,220 | \$286,112,201 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.530

Program Name: Federal Reimbursement Allowance (FRA)

Program is found in the following core budget(s): Federal Reimbursement Allowance (FRA)

7b. Provide an efficiency measure.

The FRA tax assessment is a general revenue equivalent and when used to make Medicaid payments earns a federal match. In FY 2017, MO HealthNet collected \$1,114.5 million in FRA tax assessment.

FRA Tax Assessments Revenues Obtained*

| FY | |
|------|-------------------------|
| 2013 | \$1,060.2 mil |
| 2014 | \$1,078.2 mil |
| 2015 | \$1,091.9 mil |
| 2016 | \$1,085.8 mil |
| 2017 | \$1,114.5 mil |
| 2018 | \$1,123.3 mil estimated |
| 2019 | \$1,123.3 mil estimated |

**Projections assume the federal government continues to allow tax rate maximum of 6%.*

7c. Provide the number of clients/individuals served, if applicable.

FRA payments are made on behalf of MO HealthNet participants and the uninsured accessing hospital and primary care health home services.

7d. Provide a customer satisfaction measure, if available.

N/A

IGT Safety Net Hospitals

CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: IGT Safety Net Hospitals

Budget Unit: 90571C
 HB Section: 11.540

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | |
|------------------------|----|------------|------------|------------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | | 41,182,649 | 23,348,801 | 64,531,450 | |
| TRF | | | | | |
| Total | | 41,182,649 | 23,348,801 | 64,531,450 | |
| FTE | | | | 0.00 | |

| | | | | |
|--------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|--------------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: DSS Intergovernmental Transfer Fund (0139)

| FY 2019 Governor's Recommendation | | | | | |
|-----------------------------------|----|---------|-------|-------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | | | | | |
| TRF | | | | | |
| Total | | | | 0 | |
| FTE | | | | 0.00 | |

| | | | | |
|--------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|--------------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

Safety net hospitals traditionally see a high volume of MO HealthNet/uninsured patients. This item funds payments for MO HealthNet participants and the uninsured through intergovernmental transfers for safety net hospitals.

3. PROGRAM LISTING (list programs included in this core funding)

Intergovernmental transfers for Safety Net Hospitals.

CORE DECISION ITEM

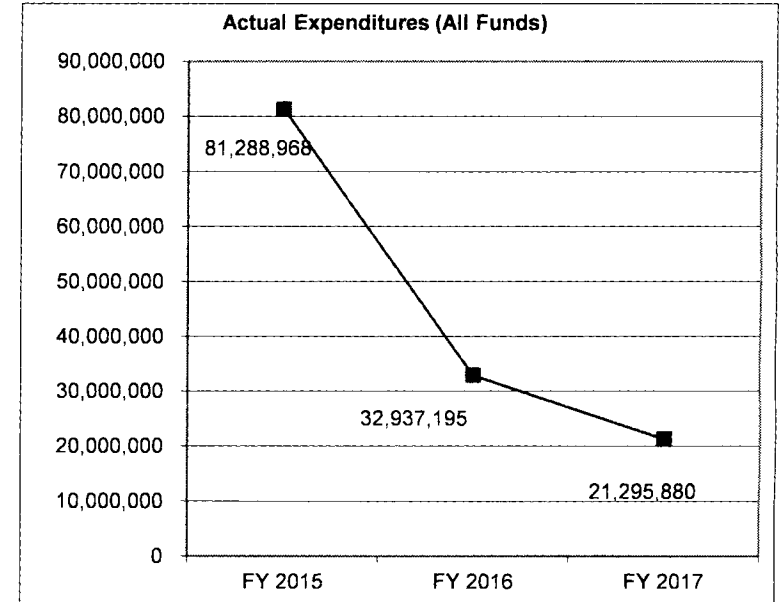
Department: Social Services
Division: MO HealthNet
Core: IGT Safety Net Hospitals

Budget Unit: 90571C

HB Section: 11.540

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds) | 199,854,549 | 114,854,549 | 99,854,549 | 64,531,450 |
| Less Reverted (All Funds) | 0 | 0 | 0 | 0 |
| Less Restricted (All Funds) | 0 | 0 | 0 | 0 |
| Budget Authority (All Funds) | 199,854,549 | 114,854,549 | 99,854,549 | 64,531,450 |
| Actual Expenditures (All Funds) | 81,288,968 | 32,937,195 | 21,295,880 | N/A |
| Unexpended (All Funds) | 118,565,581 | 81,917,354 | 78,558,669 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 0 | 0 | 0 | N/A |
| Federal | 78,252,724 | 48,838,988 | 46,486,877 | N/A |
| Other | 40,312,857 | 33,078,366 | 32,071,792 | N/A |



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
IGT SAFETY NET HOSPITALS**

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-------------------------|-------------|-----------|-------------------|-------------------|-------------------|--------------------|
| <hr/> | | | | | | | |
| TAFP AFTER VETOES | | | | | | | |
| | PD | 0.00 | 0 | 41,182,649 | 23,348,801 | 64,531,450 | |
| | Total | 0.00 | 0 | 41,182,649 | 23,348,801 | 64,531,450 | |
| <hr/> | | | | | | | |
| DEPARTMENT CORE REQUEST | | | | | | | |
| | PD | 0.00 | 0 | 41,182,649 | 23,348,801 | 64,531,450 | |
| | Total | 0.00 | 0 | 41,182,649 | 23,348,801 | 64,531,450 | |
| <hr/> | | | | | | | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | PD | 0.00 | 0 | 41,182,649 | 23,348,801 | 64,531,450 | |
| | Total | 0.00 | 0 | 41,182,649 | 23,348,801 | 64,531,450 | |
| <hr/> | | | | | | | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|---------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|------------|-------------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| IGT SAFETY NET HOSPITALS | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| TITLE XIX-FEDERAL AND OTHER | 15,018,871 | 0.00 | 41,182,649 | 0.00 | 41,182,649 | 0.00 | 0 | 0.00 |
| INTERGOVERNMENTAL TRANSFER | 6,277,009 | 0.00 | 23,348,801 | 0.00 | 23,348,801 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 21,295,880 | 0.00 | 64,531,450 | 0.00 | 64,531,450 | 0.00 | 0 | 0.00 |
| TOTAL | 21,295,880 | 0.00 | 64,531,450 | 0.00 | 64,531,450 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$21,295,880 | 0.00 | \$64,531,450 | 0.00 | \$64,531,450 | 0.00 | \$0 | 0.00 |

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DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|--------------------------|--------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| IGT SAFETY NET HOSPITALS | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM DISTRIBUTIONS | 21,295,880 | 0.00 | 64,531,450 | 0.00 | 64,531,450 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 21,295,880 | 0.00 | 64,531,450 | 0.00 | 64,531,450 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$21,295,880 | 0.00 | \$64,531,450 | 0.00 | \$64,531,450 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$15,018,871 | 0.00 | \$41,182,649 | 0.00 | \$41,182,649 | 0.00 | | 0.00 |
| OTHER FUNDS | \$6,277,009 | 0.00 | \$23,348,801 | 0.00 | \$23,348,801 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.540

Program Name: IGT Safety Net Hospitals

Program is found in the following core budget(s): IGT Safety Net Hospitals

1a. What strategic priority does this program address?

Maintain quality hospital care

1b. What does this program do?

Program Description

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer funds to the state as the non-federal share of Medicaid payments. These transfers are called intergovernmental transfers (IGTs). This funding maximizes eligible costs for federal Medicaid funds, utilizing current state and local funding sources as match for services.

Program Statistics

The following state owned/operated hospitals and public hospitals are eligible for payment from this appropriation:

- Metropolitan St. Louis Psychiatric Center;
- Center for Behavioral Medicine (formerly known as Western Missouri Mental Health Center);
- Hawthorne Children's Psychiatric Hospital;
- Northwest Missouri Psychiatric Rehabilitation Center;
- Fulton State Hospital;
- Southeast Missouri Mental Health Center;
- St. Louis Psychiatric Rehabilitation Center;
- University of Missouri Hospital and Clinics;
- Truman Medical Center – Hospital Hill; and
- Truman Medical Center – Lakewood.

Program Goals:

To support safety net hospitals which are critical providers of care to the Medicaid and uninsured populations

Program Objectives:

When appropriate, use IGT as a source of funding to maximize eligible costs for federal Medicaid funds.

Reimbursement Methodology

Under the IGT process, hospitals transfer the non-federal share of payments to the state prior to payments being made. The state pays out the total claimable amount including both federal and non-federal share. The state demonstrates that the non-federal share of the payments is transferred to, and under the administrative control of, the MO HealthNet Division before the total computable payment is made to the hospitals.

Rate History

This program does not utilize a rate reimbursement methodology.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.540

Program Name: IGT Safety Net Hospitals

Program is found in the following core budget(s): IGT Safety Net Hospitals

Additional Details

To qualify as a safety net hospital, entities must meet the following requirements as specified in 13 CSR 70-15.010(6)(B):

- Meet obstetrician requirements; and
- Have a Medicaid inpatient utilization rate (MIUR) at least one standard deviation above the state's mean MIUR or a low-income utilization rate greater than 25%; and
- Operate less than 50 licensed inpatient beds and have an unsponsored care ratio of at least 65%; or
- Operate at least 50 licensed inpatient beds, have an unsponsored care ratio of at least 65%, and an occupancy rate greater than 40%; or
- Be owned or operated by the University of Missouri Board of Curators; or
- Be a public hospital operated by DMH.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY18 is a blended 64.260% federal match. The state matching requirement is 35.740%. For those public entities identified above who use state and local general revenue to provide eligible services to MO HealthNet participants, the MO HealthNet Division provides payment of the federal share for these eligible services.

4. Is this a federally mandated program? If yes, please explain.

No.

PROGRAM DESCRIPTION

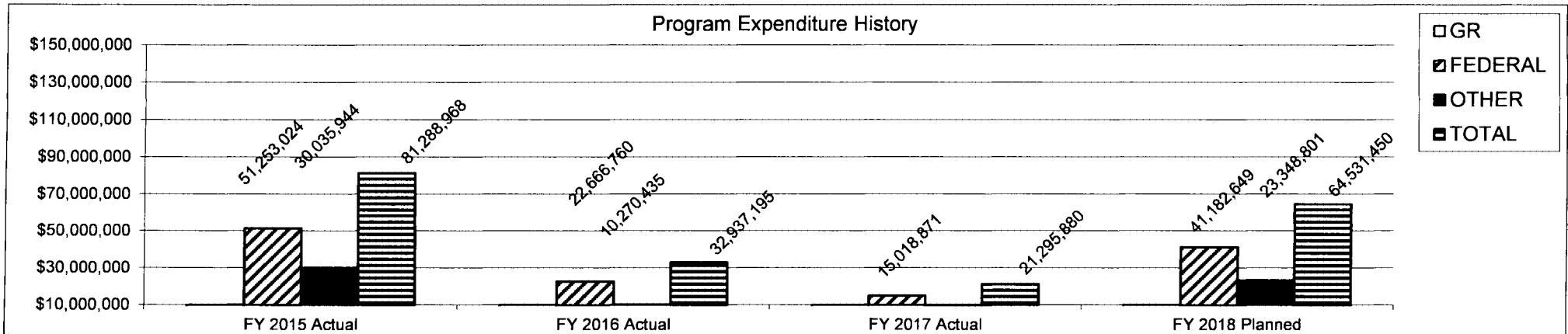
Department: Social Services

HB Section: 11.540

Program Name: IGT Safety Net Hospitals

Program is found in the following core budget(s): IGT Safety Net Hospitals

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Department of Social Services Intergovernmental Transfer Fund (0139)

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

IGT DMH Medicaid Program

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: IGT DMH Medicaid Program

Budget Unit: 90572C

HB Section: 11.545

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | | FY 2019 Governor's Recommendation | | | | | |
|------------------------|----|-------------|-------------|-------------|---|-----------------------------------|----|---------|-------|-------|---|
| | GR | Federal | Other | Total | E | | GR | Federal | Other | Total | E |
| PS | | | | | | PS | | | | | |
| EE | | | | | | EE | | | | | |
| PSD | | 277,048,873 | 147,977,007 | 425,025,880 | | PSD | | | | 0 | |
| TRF | | | | | | TRF | | | | | |
| Total | 0 | 277,048,873 | 147,977,007 | 425,025,880 | | Total | | | | 0 | |
| FTE | | | | 0.00 | | FTE | | | | 0.00 | |

| | | | | |
|--------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|--------------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

| | | | | |
|--------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|--------------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: DSS Intergovernmental Transfer Fund (0139)

Other Funds:

2. CORE DESCRIPTION

The item funds payments for MO HealthNet participants and the uninsured through intergovernmental transfers for Community Psychiatric Rehabilitation (CPR) services, Comprehensive Substance Abuse Treatment and Rehabilitation (CSTAR) services; and Targeted Case Management (TCM) for behavioral health services.

3. PROGRAM LISTING (list programs included in this core funding)

Intergovernmental transfers for DMH Medicaid Program.

CORE DECISION ITEM

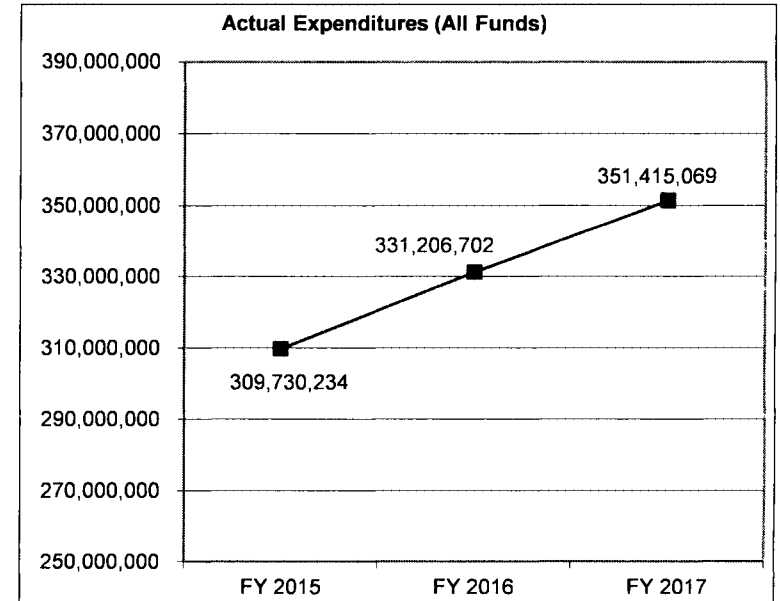
Department: Social Services
Division: MO HealthNet
Core: IGT DMH Medicaid Program

Budget Unit: 90572C

HB Section: 11.545

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds) | 313,590,597 | 350,426,731 | 367,321,872 | 350,426,731 |
| Less Reverted (All Funds) | 0 | 0 | 0 | 0 |
| Less Restricted (All Funds) | 0 | 0 | 0 | 0 |
| Budget Authority (All Funds) | 313,590,597 | 350,426,731 | 367,321,872 | 350,426,731 |
| Actual Expenditures (All Funds) | 309,730,234 | 331,206,702 | 351,415,069 | N/A |
| Unexpended (All Funds) | 3,860,363 | 19,220,029 | 15,906,803 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 0 | 0 | 0 | N/A |
| Federal | 0 | 12,024,557 | 9,831,128 | N/A |
| Other | 3,860,363 | 7,195,472 | 6,075,675 | N/A |



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES IGT DMH MEDICAID PROGRAM

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-----------------|-------------|----------|--------------------|--------------------|--------------------|-------------|
| TAFP AFTER VETOES | | | | | | | |
| | PD | 0.00 | 0 | 277,048,873 | 147,977,007 | 425,025,880 | |
| | Total | 0.00 | 0 | 277,048,873 | 147,977,007 | 425,025,880 | |
| DEPARTMENT CORE REQUEST | | | | | | | |
| | PD | 0.00 | 0 | 277,048,873 | 147,977,007 | 425,025,880 | |
| | Total | 0.00 | 0 | 277,048,873 | 147,977,007 | 425,025,880 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | PD | 0.00 | 0 | 277,048,873 | 147,977,007 | 425,025,880 | |
| | Total | 0.00 | 0 | 277,048,873 | 147,977,007 | 425,025,880 | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | | |
|----------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|------------|-------------|--|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** | |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED | |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN | |
| IGT DMH MEDICAID PROGRAM | | | | | | | | | |
| CORE | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| TITLE XIX-FEDERAL AND OTHER | 222,419,145 | 0.00 | 277,048,873 | 0.00 | 277,048,873 | 0.00 | 0 | 0.00 | |
| INTERGOVERNMENTAL TRANSFER | 128,995,924 | 0.00 | 147,977,007 | 0.00 | 147,977,007 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 351,415,069 | 0.00 | 425,025,880 | 0.00 | 425,025,880 | 0.00 | 0 | 0.00 | |
| TOTAL | 351,415,069 | 0.00 | 425,025,880 | 0.00 | 425,025,880 | 0.00 | 0 | 0.00 | |
| DMH IGT Authority CTC - 1886002 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 6,001,381 | 0.00 | 0 | 0.00 | |
| INTERGOVERNMENTAL TRANSFER | 0 | 0.00 | 0 | 0.00 | 9,449,325 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 15,450,706 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 15,450,706 | 0.00 | 0 | 0.00 | |
| GRAND TOTAL | \$351,415,069 | 0.00 | \$425,025,880 | 0.00 | \$440,476,586 | 0.00 | \$0 | 0.00 | |

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DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|--------------------------|---------------|---------|---------------|---------|---------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| IGT DMH MEDICAID PROGRAM | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM DISTRIBUTIONS | 351,415,069 | 0.00 | 425,025,880 | 0.00 | 425,025,880 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 351,415,069 | 0.00 | 425,025,880 | 0.00 | 425,025,880 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$351,415,069 | 0.00 | \$425,025,880 | 0.00 | \$425,025,880 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$222,419,145 | 0.00 | \$277,048,873 | 0.00 | \$277,048,873 | 0.00 | | 0.00 |
| OTHER FUNDS | \$128,995,924 | 0.00 | \$147,977,007 | 0.00 | \$147,977,007 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.545

Program Name: IGT DMH Medicaid Program

Program is found in the following core budget(s): IGT DMH Medicaid Program

1a. What strategic priority does this program address?

Support DMH Behavioral Health Programs

1b. What does this program do?

Program Description

This program provides payments for Community Psychiatric Rehabilitation (CPR), Comprehensive Substance Abuse Treatment and Rehabilitation (CSTAR), and behavioral health Targeted Case Management (TCM). The Department of Mental Health (DMH) utilizes an intergovernmental transfer (IGT) reimbursement methodology, where DMH serves as a provider of Medicaid services to the Department of Social Services for CSTAR, CPR, and TCM services. The state match is provided using an IGT.

Program Goals

To support DMH behavioral health programs providing care to MO HealthNet participants.

Program Objectives

When appropriate, use IGT as a source of funding to maximize eligible reimbursement of federal Medicaid funds.

Reimbursement Methodology

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal Medicaid funds. These transfers are called intergovernmental transfers (IGTs). This funding maximizes eligible costs for federal Medicaid funds, utilizing current state and local funding sources as match for services.

Beginning in FY 11, the MO HealthNet Division changed from a Certified Public Expenditure (CPE) process to an Intergovernmental Transfer (IGT) process for the non-federal share of CPR, CSTAR, and TCM services. MO HealthNet pays DMH a reasonable rate for the total costs of providing CPR, CSTAR, and TCM services. The IGT transfer proves that the state match is available for the CPR, CSTAR, and TCM programs. The appropriated transfer from General Revenue is in the DMH budget. Under this methodology, reimbursement rates are established for CSTAR, CPR, and TCM services and the MHD will reimburse DMH both the state and the federal share for these services.

Rate History

This program does not utilize a rate reimbursement methodology.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.545

Program Name: IGT DMH Medicaid Program

Program is found in the following core budget(s): IGT DMH Medicaid Program

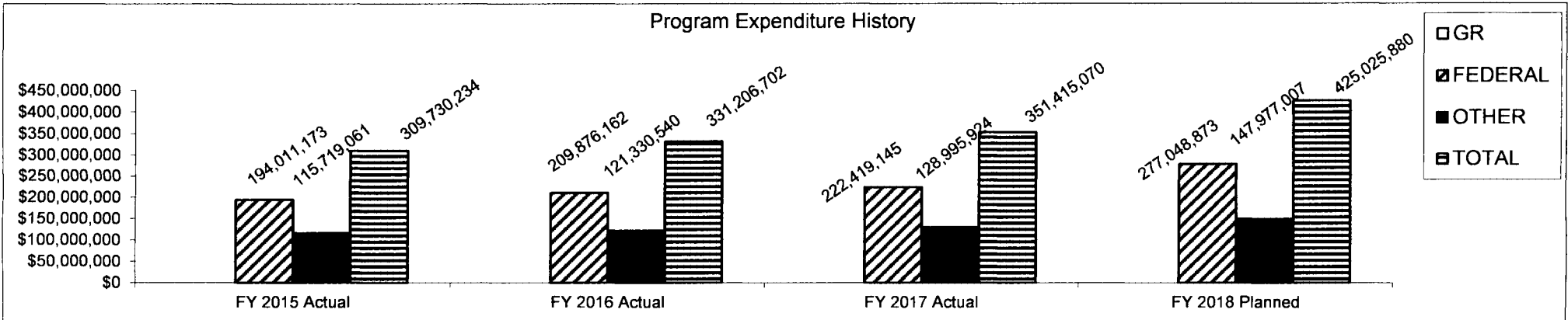
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY18 is a blended 64.260% federal match. The state matching requirement is 35.740%. For those public entities identified above who use state and local general revenue to provide eligible services to MO HealthNet participants, the MO HealthNet Division provides payment of the federal share for these eligible services.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Department of Social Services Intergovernmental Transfer Fund (0139)

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.545

Program Name: IGT DMH Medicaid Program

Program is found in the following core budget(s): IGT DMH Medicaid Program

7a. Provide an effectiveness measure.

Effectiveness measures for this program can be found in the Department of Mental Health budget under Comprehensive Substance Treatment and Rehabilitation, Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.

7b. Provide an efficiency measure.

Effectiveness measures for this program can be found in the Department of Mental Health budget under Comprehensive Substance Treatment and Rehabilitation, Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.

7c. Provide the number of clients/individuals served, if applicable.

The number of clients/individuals served for this program can be found in the Department of Mental Health budget under Comprehensive Substance Treatment and Rehabilitation, Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.

7d. Provide a customer satisfaction measure, if available.

Customer satisfaction measures for this program can be found in the Department of Mental Health budget under Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.

NEW DECISION ITEM

RANK: 21 OF 22Department: Social ServicesBudget Unit: 90572CDivision: MO HealthNet DivisionDI Name: Increased DMH IGT AuthorityDI# 1886002HB Section: 11.545**1. AMOUNT OF REQUEST**

FY 2019 Budget Request

| | GR | Federal | Other | Total | E |
|--------------|----------|------------------|------------------|-------------------|---|
| PS | 0 | 0 | 0 | 0 | |
| EE | 0 | 0 | 0 | 0 | |
| PSD | 0 | 6,001,381 | 9,449,325 | 15,450,706 | |
| TRF | 0 | 0 | 0 | 0 | |
| Total | 0 | 6,001,381 | 9,449,325 | 15,450,706 | |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 | |

FY 2019 Governor's Recommendation

| | GR | Federal | Other | Total | E |
|--------------|----------|----------|----------|----------|---|
| PS | 0 | 0 | 0 | 0 | |
| EE | 0 | 0 | 0 | 0 | |
| PSD | 0 | 0 | 0 | 0 | |
| TRF | 0 | 0 | 0 | 0 | |
| Total | 0 | 0 | 0 | 0 | |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 | |

| | | | | |
|--------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|--------------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

| | | | | |
|--------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|--------------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: DSS Intergovernmental Transfer Fund (0139)

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

☐ New Legislation
☐ Federal Mandate
☐ GR Pick-Up
☐ Pay Plan

☐ New Program
☐ Program Expansion
☐ Space Request
☒ Other: Increase Authority

☐ Fund Switch
☐ Cost to Continue
☐ Equipment Replacement

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

Based on projected MO HealthNet and Department of Mental Health (DMH) program expenditures for FY 2018 and projected DMH utilization increases in FY 2019, additional authority is requested to support increased DMH payments through the DMH Intergovernmental Transfer.

NEW DECISION ITEM
RANK: 21 OF 22

Department: Social Services
Division: MO HealthNet Division
DI Name: Increased DMH IGT Authority **DI# 1886002**

Budget Unit: 90572C

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The DMH Intergovernmental Transfer provides payments for Community Psychiatric Rehabilitation (CPR) and Comprehensive Substance Abuse Treatment and Rehabilitation (CSTAR). The Department of Mental Health (DMH) utilizes an intergovernmental transfer (IGT) reimbursement methodology, where DMH serves as a provider of Medicaid services to the Department of Social Services for CSTAR and CPR services. The state match is provided using an IGT.

Based on FY 2018 projections, additional authority is needed to continue the FY 2018 transfer authority into FY 2019. An additional amount is requested for DMH projected FY 2019 utilization increases.

| Estimated Shortfalls | Federal | IGT Fund | Total |
|--------------------------|--------------------|--------------------|---------------------|
| DMH IGT FY19 Utilization | \$5,473,012 | \$3,043,969 | \$8,516,981 |
| DMH IGT FY18 Utilization | \$528,369 | \$6,405,356 | \$6,933,725 |
| DMH IGT | \$6,001,381 | \$9,449,325 | \$15,450,706 |

**All appropriations included in the above request are non-counted appropriations.*

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

| Budget Object Class/Job Class | Dept Req GR DOLLARS | Dept Req GR FTE | Dept Req FED DOLLARS | Dept Req FED FTE | Dept Req OTHER DOLLARS | Dept Req OTHER FTE | Dept Req TOTAL DOLLARS | Dept Req TOTAL FTE | Dept Req One-Time DOLLARS | E |
|-------------------------------|---------------------------|-----------------------|----------------------------|------------------------|------------------------------|--------------------------|------------------------------|--------------------------|---------------------------------|---|
| Total PS | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | |
| Total EE | 0 | | 0 | | 0 | | 0 | | 0 | |
| Program Distributions | | | 6,001,381 | | 9,449,325 | | 15,450,706 | | | |
| Total PSD | 0 | | 6,001,381 | | 9,449,325 | | 15,450,706 | | 0 | |
| Transfers | | | | | | | 0 | | | |
| Total TRF | 0 | | 0 | | 0 | | 0 | | 0 | |
| Grand Total | 0 | 0.0 | 6,001,381 | 0.0 | 9,449,325 | 0.0 | 15,450,706 | 0.0 | 0 | |

RANK: NEW DECISION ITEM
OF

Department: Social Services

Budget Unit 90572C

Division: MO HealthNet Division

DI Name: Increased DMH IGT Authority

DI# 1886002

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

N/A

6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.

N/A

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|---------------------------------|---------|---------|---------|---------|--------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| IGT DMH MEDICAID PROGRAM | | | | | | | | |
| DMH IGT Authority CTC - 1886002 | | | | | | | | |
| PROGRAM DISTRIBUTIONS | 0 | 0.00 | 0 | 0.00 | 15,450,706 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 15,450,706 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$0 | 0.00 | \$0 | 0.00 | \$15,450,706 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$6,001,381 | 0.00 | | 0.00 |
| OTHER FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$9,449,325 | 0.00 | | 0.00 |

CHIP

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Children's Health Insurance Program (CHIP)

Budget Unit: 90556C

HB Section: 11.555

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | |
|------------------------|------------|------------|-----------|------------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | 504,000 | 696,000 | | 1,200,000 | |
| PSD | 11,435,043 | 60,084,571 | 7,719,204 | 79,238,818 | |
| TRF | | | | | |
| Total | 11,939,043 | 60,780,571 | 7,719,204 | 80,438,818 | |

FTE 0.00

| | | | | |
|-------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|-------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

| FY 2019 Governor's Recommendation | | | | | |
|-----------------------------------|----|---------|-------|-------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | | | | | |
| TRF | | | | | |
| Total | | | | 0 | |

FTE 0.00

| | | | | |
|-------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|-------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

Other Funds:

2. CORE DESCRIPTION

This item funds health care services provided to certain children age 18 and under who exceed the eligibility limits of traditional MO HealthNet coverage and would otherwise be uninsured. The Children's Health Insurance Program (CHIP) Title XXI funds are utilized for this expanded MO HealthNet population.

3. PROGRAM LISTING (list programs included in this core funding)

Children's Health Insurance Program (CHIP)

CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: Children's Health Insurance Program (CHIP)

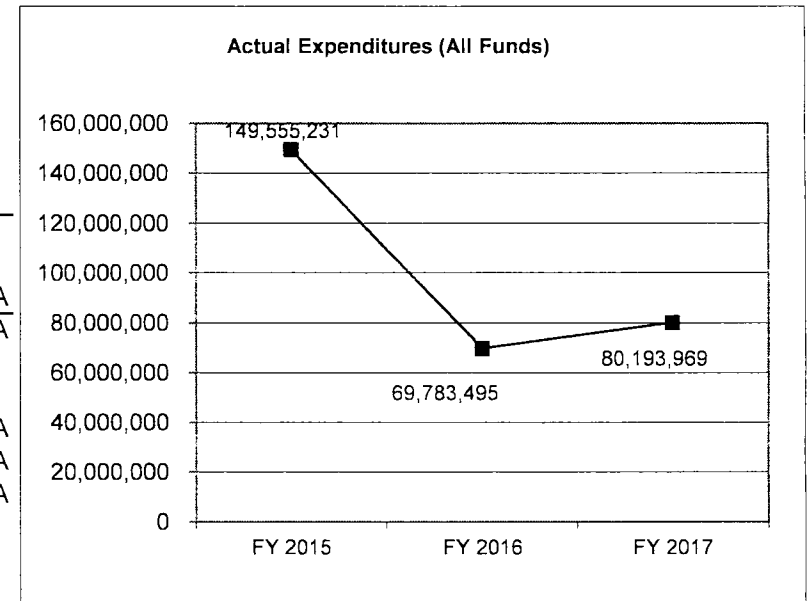
Budget Unit: 90556C

HB Section: 11.555

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds) | 182,283,035 | 86,167,292 | 92,752,778 | 93,518,698 |
| Less Reverted (All Funds) | (161,267) | 0 | 0 | 0 |
| Less Restricted (All Funds) | 0 | 0 | 0 | 0 |
| Budget Authority (All Funds) | 182,121,768 | 86,167,292 | 92,752,778 | 93,518,698 |
| Actual Expenditures (All Funds) | 149,555,231 | 69,783,495 | 80,193,969 | N/A |
| Unexpended (All Funds) | 32,566,537 | 16,383,797 | 12,558,809 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 27,239 | 45,097 | 2,472,753 | N/A |
| Federal | 30,793,774 | 11,252,426 | 10,086,056 | N/A |
| Other | 1,745,524 | 5,086,274 | 0 | N/A |

(1)



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY16- \$15,812,287 in CHIP expenditures were made from the Statewide Managed Care Expansion Section.

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
CHILDREN'S HEALTH INS PROGRAM**

5. CORE RECONCILIATION DETAIL

| | | | | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|------|------|----|-------------------------|-------------|--------------------|--------------------|------------------|---------------------|-----------------------------------------------|
| TAFP AFTER VETOES | | | | | | | | | | |
| | | | | EE | 0.00 | 504,000 | 696,000 | 0 | 1,200,000 | |
| | | | | PD | 0.00 | 15,054,408 | 69,545,086 | 7,719,204 | 92,318,698 | |
| | | | | Total | 0.00 | 15,558,408 | 70,241,086 | 7,719,204 | 93,518,698 | |
| DEPARTMENT CORE ADJUSTMENTS | | | | | | | | | | |
| 1x Expenditures | 1658 | 2866 | PD | 0.00 | | (136,309) | 0 | 0 | (136,309) | One-time costs for statewide MC transition |
| 1x Expenditures | 1658 | 2867 | PD | 0.00 | | 0 | (393,313) | 0 | (393,313) | One-time costs for statewide MC transition |
| Core Reduction | 1584 | 2867 | PD | 0.00 | | 0 | (567,663) | 0 | (567,663) | Core reduction corresponding to GR pickup NDI |
| Core Reduction | 1671 | 2867 | PD | 0.00 | | 0 | (8,499,539) | 0 | (8,499,539) | Est FY18 lapse core redux |
| Core Reduction | 1671 | 2866 | PD | 0.00 | | (3,483,056) | 0 | 0 | (3,483,056) | Est FY18 lapse core redux |
| NET DEPARTMENT CHANGES | | | | | 0.00 | (3,619,365) | (9,460,515) | 0 | (13,079,880) | |
| DEPARTMENT CORE REQUEST | | | | | | | | | | |
| | | | | EE | 0.00 | 504,000 | 696,000 | 0 | 1,200,000 | |
| | | | | PD | 0.00 | 11,435,043 | 60,084,571 | 7,719,204 | 79,238,818 | |
| | | | | Total | 0.00 | 11,939,043 | 60,780,571 | 7,719,204 | 80,438,818 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | | | | |
| | | | | EE | 0.00 | 504,000 | 696,000 | 0 | 1,200,000 | |
| | | | | PD | 0.00 | 11,435,043 | 60,084,571 | 7,719,204 | 79,238,818 | |
| | | | | Total | 0.00 | 11,939,043 | 60,780,571 | 7,719,204 | 80,438,818 | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | | |
|--------------------------------------------------|-------------------|-------------|-------------------|-------------|-------------------|-------------|----------|-------------|--|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** | |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED | |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN | |
| CHILDREN'S HEALTH INS PROGRAM | | | | | | | | | |
| CORE | | | | | | | | | |
| EXPENSE & EQUIPMENT | | | | | | | | | |
| GENERAL REVENUE | 383,258 | 0.00 | 504,000 | 0.00 | 504,000 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 1,272,712 | 0.00 | 696,000 | 0.00 | 696,000 | 0.00 | 0 | 0.00 | |
| TOTAL - EE | 1,655,970 | 0.00 | 1,200,000 | 0.00 | 1,200,000 | 0.00 | 0 | 0.00 | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 11,648,134 | 0.00 | 15,054,408 | 0.00 | 11,435,043 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 59,170,661 | 0.00 | 69,545,086 | 0.00 | 60,084,571 | 0.00 | 0 | 0.00 | |
| FEDERAL REIMBURSEMENT ALLOWANCE | 7,719,204 | 0.00 | 7,719,204 | 0.00 | 7,719,204 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 78,537,999 | 0.00 | 92,318,698 | 0.00 | 79,238,818 | 0.00 | 0 | 0.00 | |
| TOTAL | 80,193,969 | 0.00 | 93,518,698 | 0.00 | 80,438,818 | 0.00 | 0 | 0.00 | |
| MO HEALTHNET GR PICKUP - 1886018 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 567,663 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 567,663 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 567,663 | 0.00 | 0 | 0.00 | |
| Pharmacy PMPM Inc-Specialty - 1886011 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 201,621 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 604,380 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 806,001 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 806,001 | 0.00 | 0 | 0.00 | |
| Pharmacy PMPM Inc-Non Specialty - 1886012 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 23,691 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 71,015 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 94,706 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 94,706 | 0.00 | 0 | 0.00 | |

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DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | | |
|------------------------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|------------|-------------|--|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** | |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED | |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN | |
| CHILDREN'S HEALTH INS PROGRAM | | | | | | | | | |
| Mngd Care Actuarial Rate Inc - 1886007 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 247,223 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 741,078 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 988,301 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 988,301 | 0.00 | 0 | 0.00 | |
| Managed Care Hlth Insurer Fee - 1886008 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 403,088 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 1,208,299 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 1,611,387 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 1,611,387 | 0.00 | 0 | 0.00 | |
| Managed Care Withhold Release - 1886009 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 183,091 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 548,835 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 731,926 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 731,926 | 0.00 | 0 | 0.00 | |
| GRAND TOTAL | \$80,193,969 | 0.00 | \$93,518,698 | 0.00 | \$85,238,802 | 0.00 | \$0 | 0.00 | |

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FLEXIBILITY REQUEST FORM

| | |
|----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| BUDGET UNIT NUMBER: 90556C BUDGET UNIT NAME: Children's Health Ins Program HOUSE BILL SECTION: 11.555 | DEPARTMENT: Social Services DIVISION: MO HealthNet |
|----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

Department Request

| | | |
|---------------|---------------|--------------------|
| Total | % Flex | Flex Amount |
| \$ 85,238,802 | 10% | \$ 8,523,880 |

Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.505, 11.510, 11.555, 11.560, and 11.600.

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

| PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED | CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED | BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED |
|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|
| None | HB11 language allows up to 10% flexibility between 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.510, 11.555, and 11.600 | 10% flexibility is being requested for FY19 |

3. Please explain how flexibility was used in the prior and/or current years.

| PRIOR YEAR EXPLAIN ACTUAL USE | CURRENT YEAR EXPLAIN PLANNED USE |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| N/A | Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program. |

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|-------------------------------|--------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| CHILDREN'S HEALTH INS PROGRAM | | | | | | | | |
| CORE | | | | | | | | |
| SUPPLIES | 1,655,970 | 0.00 | 1,200,000 | 0.00 | 1,200,000 | 0.00 | 0 | 0.00 |
| TOTAL - EE | 1,655,970 | 0.00 | 1,200,000 | 0.00 | 1,200,000 | 0.00 | 0 | 0.00 |
| PROGRAM DISTRIBUTIONS | 78,537,999 | 0.00 | 92,318,698 | 0.00 | 79,238,818 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 78,537,999 | 0.00 | 92,318,698 | 0.00 | 79,238,818 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$80,193,969 | 0.00 | \$93,518,698 | 0.00 | \$80,438,818 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$12,031,392 | 0.00 | \$15,558,408 | 0.00 | \$11,939,043 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$60,443,373 | 0.00 | \$70,241,086 | 0.00 | \$60,780,571 | 0.00 | | 0.00 |
| OTHER FUNDS | \$7,719,204 | 0.00 | \$7,719,204 | 0.00 | \$7,719,204 | 0.00 | | 0.00 |

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|----------------------------------|---------|---------|---------|---------|-----------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| CHILDREN'S HEALTH INS PROGRAM | | | | | | | | |
| MO HEALTHNET GR PICKUP - 1886018 | | | | | | | | |
| PROGRAM DISTRIBUTIONS | 0 | 0.00 | 0 | 0.00 | 567,663 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 567,663 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$0 | 0.00 | \$0 | 0.00 | \$567,663 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$0 | 0.00 | \$0 | 0.00 | \$567,663 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| OTHER FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Children's Health Insurance Program (CHIP)

Budget Unit: 90556C

HB Section: 11.555

CHIP Cost Per Eligible

| | CHIP PMPM |
|---------------------------------|------------------|
| Pharmacy | \$61.70 |
| Physician Related | \$18.02 |
| Dental | \$1.72 |
| In-Home Services | \$0.00 |
| Rehab & Specialty | \$2.03 |
| EPSDT Services | \$9.81 |
| Hospitals | \$24.96 |
| Mental Health Services | \$7.60 |
| Services provided in State Inst | \$0.47 |
| Total FFS | \$126.31 |

| | |
|-------------------|----------|
| Managed Care PMPM | \$131.53 |
|-------------------|----------|

Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The per member per month (PMPM) metric provides MO HealthNet (MHD) management with a high level aggregate spending metric. PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

Mental health services and services provided in a state Institution are not part of this core.
Source: Table 23 Medical Statistics for Fiscal Year 2017 (Paid Claims Data)

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.555

Program Name: Children's Health Insurance Program (CHIP)

Program is found in the following core budget(s): Children's Health Insurance Program (CHIP)

1a. What strategic priority does this program address?

Provide healthcare for children

1b. What does this program do?

This item funds health care services provided to certain children age 18 and under who exceed the eligibility limits of traditional MO HealthNet coverage and would otherwise be uninsured. The Children's Health Insurance Program (CHIP) Title XXI funds are utilized for this expanded MO HealthNet population. The CHIP program is integrated into Missouri's MO HealthNet coverage. This integration was made possible through the passage of Senate Bill 632 (1998). Health care services available to children in the MO HealthNet Program and CHIP are collectively referred to as MO HealthNet for Kids. *See Additional Details for more information about income thresholds and age limits under the MO HealthNet for Kids program.*

The CHIP program provides health care coverage for children meeting the following eligibility criteria:

- Age 18 or under
- Family income below 300% of the federal poverty level (FPL)
- Uninsured for ninety (90) days or more; and
- No access to affordable health insurance coverage.

Any child identified as having special health care needs (defined as a condition which left untreated would result in the death or serious physical injury of a child) who does not have access to affordable employer-subsidized health care insurance is not required to be uninsured for ninety (90) days in order to become eligible for services.

The Medicare Access and CHIP Reauthorization Act of 2015 extended the federal CHIP allotments for two years - federal fiscal year 2016 and federal fiscal year 2017- without any changes to the program.

Program Statistics

As of June 2017, there were 25,837 individuals enrolled in the CHIP program. The CHIP program comprises 0.88% of the total Medicaid program.

Program Goals

To continue Missouri's commitment to improve medical care for low-income children by increasing their access to comprehensive medical and preventative services and reducing the number of uninsured children.

Program Objectives

Increase the number of children in Missouri who have access to a regular source of health care coverage

Encourage the use of health care services in appropriate settings

Ensure adequate supply of providers

Encourage preventative services for children

Increase use of Early and Periodic Screening Diagnosis and Treatment (EPSDT) services, also known as the Healthy Children and Youth (HCY) program, for children.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.555

Program Name: Children's Health Insurance Program (CHIP)

Program is found in the following core budget(s): Children's Health Insurance Program (CHIP)

Reimbursement Methodology

Beginning May 1, 2017, Managed Care was geographically extended statewide. All children are mandatorily enrolled in MO HealthNet Managed Care but may opt out of Managed Care and receive their services through fee-for-service under certain circumstances. Services provided under the CHIP program are reimbursed individually under the fee-for-service program or through a monthly capitation rate paid to the MO HealthNet Managed Care health plans that contract with the state.

Rate History

See fee-for-service program tabs (physician, dental, rehab, etc.) for relevant rate history.

Most children under CHIP receive health benefits through the MO HealthNet Managed Care health plans. MO HealthNet must maintain capitation rates at a sufficient level to ensure continued health plan and provider participation. Federal Regulation 42 CFR 438-Managed Care and State Authority 208.166, RSMo, require capitation payments made on behalf of managed care participants be actuarially sound. The following are the prior year CHIP managed care actuarial increases received:

FY 2018 \$236,298

FY 2017 \$506,848

FY 2016 \$1,938,497

FY 2015 \$4,877,827

FY 2014 \$494,873

FY 2012 \$5,947,491

FY 2010 \$5,102,588

Children's Health Insurance Program (CHIP) Premium Group

Health insurance for uninsured children funded through the Children's Health Insurance Program (CHIP) includes children who must be under age 19, have a family income above 150% and below 300% poverty, are uninsured, and have no access to affordable health insurance.

MO HealthNet for Kids by Age and Income

| | | | | |
|----------------------------------|--------------|---------------------------|-------------------------|---------------------|
| % of Federal Poverty Level (FPL) | 225+ to 300% | CHIP Premium (\$113-309*) | | |
| | 185+ to 225% | CHIP Premium (\$46-126*) | | |
| | 150+ to 185% | | CHIP Premium (\$14-38*) | |
| | 133+ to 150% | | CHIP Non-Premium | |
| | 100+ to 133% | | Medicaid*** | CHIP Non-Premium** |
| | 0-100% | | | |
| | Age Group | 0 Years Old | 1 thru 5 Years Old | 6 thru 18 Years Old |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.555

Program Name: Children's Health Insurance Program (CHIP)

Program is found in the following core budget(s): Children's Health Insurance Program (CHIP)

Notes:

*The monthly premium range is based on family size of 1-6

**Prior to the Affordable Care Act (ACA), Missouri covered these children under the CHIP program. Modified Adjusted Gross Income (MAGI) thresholds in the ACA would have resulted in many children who would have been in the CHIP non-premium category switching to Medicaid. CMS approved continuing to use CHIP funding to cover these children who would have been CHIP under pre-MAGI eligibility determinations; however, funds for these children are appropriated out of fee-for-service program lines (Physicians-Related Services, Dental, Hospital, Rehab and Specialty Services, Pharmacy, etc.).

***There are no premiums under the Medicaid program.

Additional Details

Uninsured children with family income of 150% FPL or below receive a package of benefits equal to MO HealthNet coverage. Uninsured children with family income above 150% FPL receive a package of benefits equal to MO HealthNet coverage, excluding non-emergency medical transportation. Parents of children eligible for coverage above 150% and below 300% of the federal poverty level must show parental responsibility through the following:

- participation in immunization and wellness programs;
- furnishing the uninsured child's social security number;
- cooperation with third party insurance carriers; and
- sharing in their children's health care costs through premiums.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.631 through 208.657; Federal law: Social Security Act, Title XXI; Federal Regulations: 42 CFR 457.

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Missouri's enhanced CHIP FMAP for FY18 is a blended 74.985% federal match. The state matching requirement for the CHIP program is 25.015%

4. Is this a federally mandated program? If yes, please explain.

No.

PROGRAM DESCRIPTION

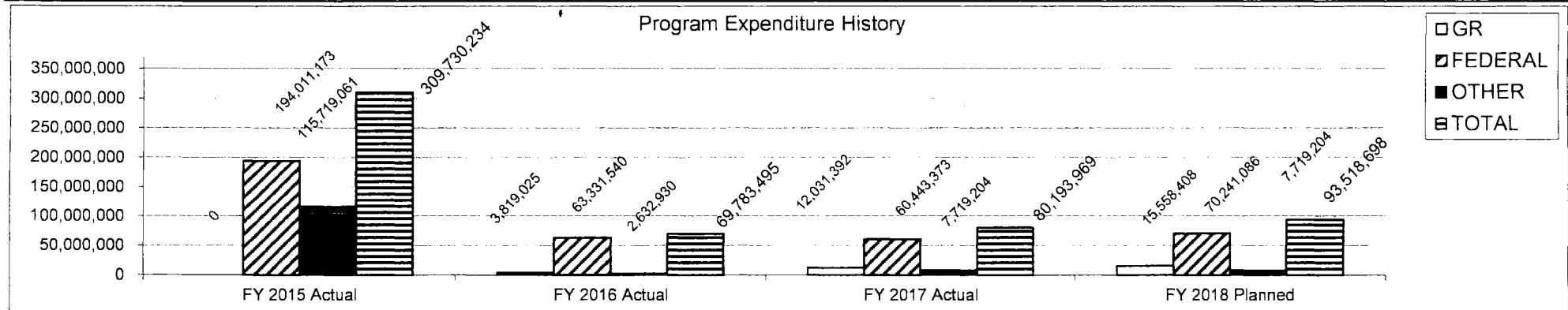
Department: Social Services

HB Section: 11.555

Program Name: Children's Health Insurance Program (CHIP)

Program is found in the following core budget(s): Children's Health Insurance Program (CHIP)

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

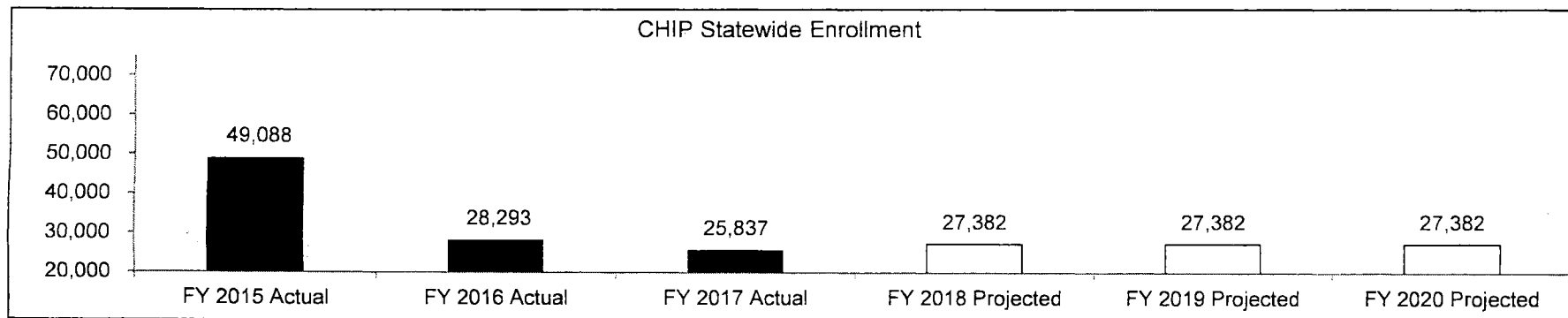


6. What are the sources of the "Other" funds?

Federal Reimbursement Allowance Fund (0142)

7a. Provide an effectiveness measure.

The CHIP program continues to provide health care coverage to thousands of Missouri's children. These children would be uninsured without CHIP coverage. In 2014, Missouri began implementing the Modified Adjusted Gross Income (MAGI) methodology for Medicaid and CHIP eligibility required by the Affordable Care Act (ACA). The ACA also included a provision making kids ages 6-18 in families with incomes between 100% of the FPL and the MAGI equivalent of 133% of the FPL a mandatory group under the Medicaid program. Before that requirement, Missouri covered these kids under CHIP. This change resulted in many children who would have been in the CHIP non-premium category switching to Medicaid under the new, MAGI income thresholds. CMS approved continuing to use CHIP funding to cover those kids who would have been CHIP under pre-MAGI eligibility determinations. Therefore, enrollment numbers show a shift from the CHIP population to the Medicaid population.



PROGRAM DESCRIPTION

Department: Social Services

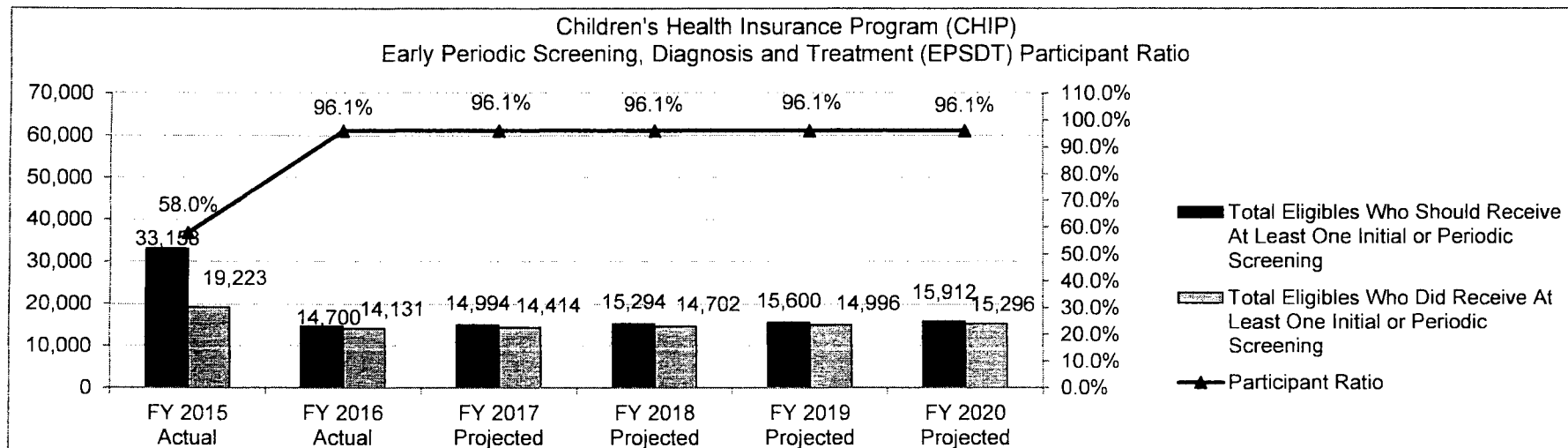
HB Section: 11.555

Program Name: Children's Health Insurance Program (CHIP)

Program is found in the following core budget(s): Children's Health Insurance Program (CHIP)

7b. Provide an efficiency measure.

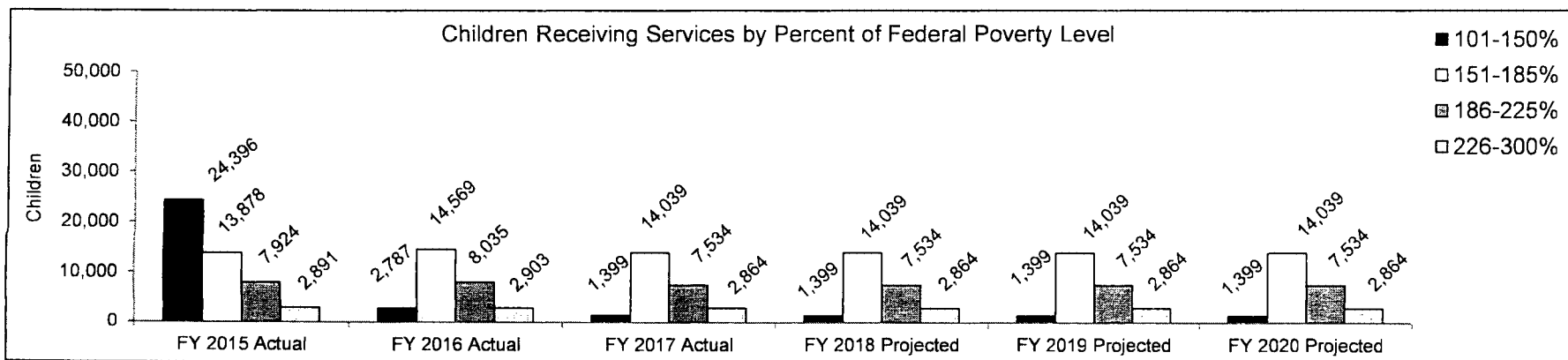
The CHIP program provides uninsured children with Early Periodic Screening, Diagnosis and Treatment services.



FFY16 data is the most recent data available (data only available in March the following fiscal year)

7c. Provide the number of clients/individuals served, if applicable.

Participants are children above the existing Title XIX Medicaid eligibility up to 300% of the federal poverty level (FPL). As of September 2005, children in the categories from 151-300% of the federal poverty level (FPL) are required to pay premiums.



PROGRAM DESCRIPTION

Department: Social Services

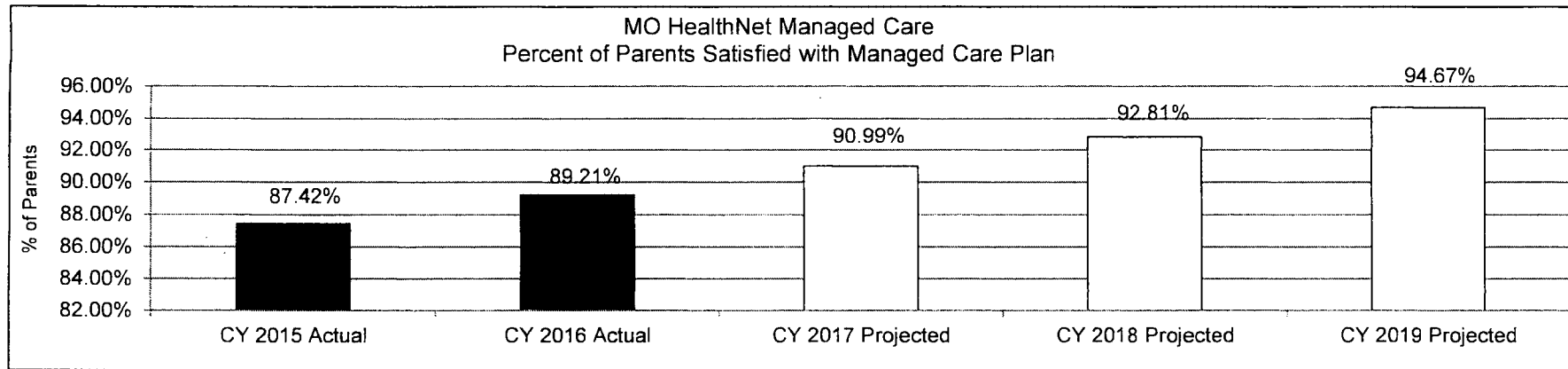
HB Section: 11.555

Program Name: Children's Health Insurance Program (CHIP)

Program is found in the following core budget(s): Children's Health Insurance Program (CHIP)

7d. Provide a customer satisfaction measure, if available.

Children with CHIP coverage who reside in a MO HealthNet Managed Care region, receive their services from the MO HealthNet Managed Care health plans.



2016 data is the most recent data available.

Show-Me Healthy Babies

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Show-Me Healthy Babies

Budget Unit: 88855C

HB Section: 11.560

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | |
|------------------------|-----------|------------|-------|------------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | 20,000 | 20,000 | | 40,000 | |
| PSD | 3,461,649 | 10,376,644 | | 13,838,293 | |
| TRF | | | | | |
| Total | 3,481,649 | 10,396,644 | | 13,878,293 | |
| FTE | | | | 0.00 | |

| | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| <i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i> | | | | |

Other Funds: N/A

| FY 2019 Governor's Recommendation | | | | | |
|-----------------------------------|----|---------|-------|-------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | 0 | |
| PSD | | | | 0 | |
| TRF | | | | | |
| Total | | | | 0 | |
| FTE | | | | 0.00 | |

| | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| <i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i> | | | | |

Other Funds:

2. CORE DESCRIPTION

This item funds services for targeted low-income unborn children from families with household incomes up to 300% of the Federal Poverty Level (FPL). Services include all prenatal care and pregnancy-related services that benefit the health of the unborn child and that promote healthy labor, delivery, birth, and postpartum care.

3. PROGRAM LISTING (list programs included in this core funding)

Show-Me Healthy Babies

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Show-Me Healthy Babies

Budget Unit: 88855C

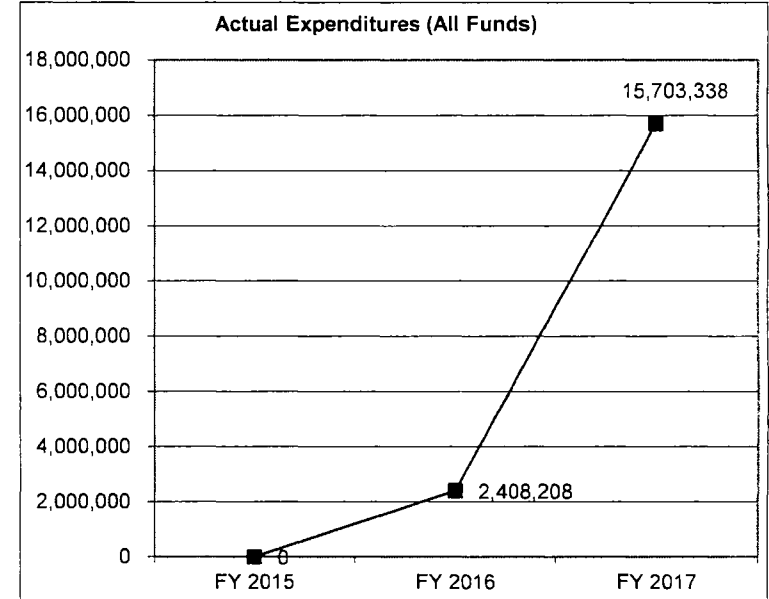
HB Section: 11.560

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds) | 0 | 13,672,790 | 19,748,059 | 13,988,802 |
| Less Reverted (All Funds) | 0 | (1,725) | (600) | (600) |
| Less Restricted (All Funds) | 0 | 0 | 0 | 0 |
| Budget Authority (All Funds) | 0 | 13,671,065 | 19,747,459 | 13,988,202 |
| Actual Expenditures (All Funds) | 0 | 2,408,208 | 15,703,338 | N/A |
| Unexpended (All Funds) | 0 | 11,262,857 | 4,044,121 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 0 | 2,798,092 | 0 | N/A |
| Federal | 0 | 8,464,765 | 4,044,121 | N/A |
| Other | | | 0 | N/A |

(1)

(2)



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY16 is the first year of the program.

(2) FY17- \$4,168,664 was paid from Managed Care and \$319 was paid from FQHC.

FLEXIBILITY REQUEST FORM

| | |
|---------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| BUDGET UNIT NUMBER: 88855C BUDGET UNIT NAME: Show-Me Healthy Babies HOUSE BILL SECTION: 11.560 | DEPARTMENT: Social Services DIVISION: MO HealthNet |
|---------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

Department Request

| | | |
|---------------|---------------|--------------------|
| Total | % Flex | Flex Amount |
| \$ 30,422,048 | 10% | \$ 3,042,205 |

Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.505, 11.510, 11.555, 11.560, and 11.600.

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

| PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED | CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED | BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED |
|-------------------------------------------------|----------------------------------------------------------------------|------------------------------------------------------------------------|
| None | None | 10% flexibility is being requested for FY19 |

3. Please explain how flexibility was used in the prior and/or current years.

| PRIOR YEAR EXPLAIN ACTUAL USE | CURRENT YEAR EXPLAIN PLANNED USE |
|----------------------------------|-------------------------------------|
| N/A | N/A |

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES

SHOW-ME BABIES

5. CORE RECONCILIATION DETAIL

| | | | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-----------|----|-------------------------|-------------|------------------|-------------------|--------------|-------------------|--------------------------------------------|
| TAFP AFTER VETOES | | | | | | | | | |
| | | | EE | 0.00 | 20,000 | 20,000 | 0 | 40,000 | |
| | | | PD | 0.00 | 3,490,090 | 10,458,712 | 0 | 13,948,802 | |
| | | | Total | 0.00 | 3,510,090 | 10,478,712 | 0 | 13,988,802 | |
| DEPARTMENT CORE ADJUSTMENTS | | | | | | | | | |
| 1x Expenditures | 1659 9383 | PD | | 0.00 | 0 | (82,068) | 0 | (82,068) | One-time costs for statewide MC transition |
| 1x Expenditures | 1659 9380 | PD | | 0.00 | (28,441) | 0 | 0 | (28,441) | One-time costs for statewide MC transition |
| NET DEPARTMENT CHANGES | | | | 0.00 | (28,441) | (82,068) | 0 | (110,509) | |
| DEPARTMENT CORE REQUEST | | | | | | | | | |
| | | | EE | 0.00 | 20,000 | 20,000 | 0 | 40,000 | |
| | | | PD | 0.00 | 3,461,649 | 10,376,644 | 0 | 13,838,293 | |
| | | | Total | 0.00 | 3,481,649 | 10,396,644 | 0 | 13,878,293 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | | | |
| | | | EE | 0.00 | 20,000 | 20,000 | 0 | 40,000 | |
| | | | PD | 0.00 | 3,461,649 | 10,376,644 | 0 | 13,838,293 | |
| | | | Total | 0.00 | 3,481,649 | 10,396,644 | 0 | 13,878,293 | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | | |
|------------------------------------------------|-------------------|-------------|-------------------|-------------|-------------------|-------------|----------|-------------|--|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** | |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED | |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN | |
| SHOW-ME BABIES | | | | | | | | | |
| CORE | | | | | | | | | |
| EXPENSE & EQUIPMENT | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 20,000 | 0.00 | 20,000 | 0.00 | 0 | 0.00 | |
| DEPT OF SOC SERV FEDERAL & OTH | 0 | 0.00 | 20,000 | 0.00 | 20,000 | 0.00 | 0 | 0.00 | |
| TOTAL - EE | 0 | 0.00 | 40,000 | 0.00 | 40,000 | 0.00 | 0 | 0.00 | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 3,480,866 | 0.00 | 3,490,090 | 0.00 | 3,461,649 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 12,203,072 | 0.00 | 10,458,712 | 0.00 | 10,376,644 | 0.00 | 0 | 0.00 | |
| DEPT OF SOC SERV FEDERAL & OTH | 19,400 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | |
| HEALTHY FAMILIES TRUST | 2,164,314 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 17,867,652 | 0.00 | 13,948,802 | 0.00 | 13,838,293 | 0.00 | 0 | 0.00 | |
| TOTAL | 17,867,652 | 0.00 | 13,988,802 | 0.00 | 13,878,293 | 0.00 | 0 | 0.00 | |
| MHD COST TO CONTINUE - 1886001 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 3,653,700 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 10,943,412 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 14,597,112 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 14,597,112 | 0.00 | 0 | 0.00 | |
| Mngd Care Actuarial Rate Inc - 1886007 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 193,575 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 580,262 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 773,837 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 773,837 | 0.00 | 0 | 0.00 | |
| Managed Care Hlth Insurer Fee - 1886008 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 201,832 | 0.00 | 0 | 0.00 | |

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DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | | |
|------------------------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|------------|-------------|--|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** | |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED | |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN | |
| SHOW-ME BABIES | | | | | | | | | |
| Managed Care Hlth Insurer Fee - 1886008 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 605,011 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 806,843 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 806,843 | 0.00 | 0 | 0.00 | |
| Managed Care Withhold Release - 1886009 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 91,546 | 0.00 | 0 | 0.00 | |
| TITLE XIX-FEDERAL AND OTHER | 0 | 0.00 | 0 | 0.00 | 274,417 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 365,963 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 365,963 | 0.00 | 0 | 0.00 | |
| GRAND TOTAL | \$17,867,652 | 0.00 | \$13,988,802 | 0.00 | \$30,422,048 | 0.00 | \$0 | 0.00 | |

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DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|-----------------------|--------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| SHOW-ME BABIES | | | | | | | | |
| CORE | | | | | | | | |
| PROFESSIONAL SERVICES | 0 | 0.00 | 40,000 | 0.00 | 40,000 | 0.00 | 0 | 0.00 |
| TOTAL - EE | 0 | 0.00 | 40,000 | 0.00 | 40,000 | 0.00 | 0 | 0.00 |
| PROGRAM DISTRIBUTIONS | 17,867,652 | 0.00 | 13,948,802 | 0.00 | 13,838,293 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 17,867,652 | 0.00 | 13,948,802 | 0.00 | 13,838,293 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$17,867,652 | 0.00 | \$13,988,802 | 0.00 | \$13,878,293 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$3,480,866 | 0.00 | \$3,510,090 | 0.00 | \$3,481,649 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$12,222,472 | 0.00 | \$10,478,712 | 0.00 | \$10,396,644 | 0.00 | | 0.00 |
| OTHER FUNDS | \$2,164,314 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.560

Program Name: Show-Me Healthy Babies

Program is found in the following core budget(s): Show-Me Healthy Babies

1a. What strategic priority does this program address?

Provide eligible unborn children healthcare

1b. What does this program do?

Program Description

Effective January 1, 2016, Missouri established the Show-Me Healthy Babies program, a separate Children's Health Insurance Program (CHIP), for targeted low-income unborn children from families with household incomes up to 300% FPL. The mother of the unborn child cannot be otherwise eligible for MO HealthNet coverage and cannot have access to affordable employer-subsidized health care insurance or other affordable health care coverage that includes coverage for the unborn child. Self-attestation of pregnancy is accepted when making eligibility determinations and there is no waiting period for coverage to begin.

The unborn child's coverage period begins from date of application and extends through birth. For the mother of the unborn child, postpartum coverage begins on the day the pregnancy ends and extends through the last day of the month which includes the sixtieth (60th) day after the pregnancy ends. Coverage for the child continues for up to one year after birth, unless otherwise prohibited by law or unless otherwise limited by the Missouri General Assembly through appropriations.

Program Statistics

As of June 2017, there were 2,056 individuals in the Show-Me Healthy Babies program.

Program Goals

The purpose of the Program is to provide early health coverage through pre-natal care and pregnancy related services that benefit the health of the unborn child and promote healthy labor, delivery, birth, and postpartum care.

Program Objectives

To provide eligible unborn children a benefit package of essential, medically necessary health services in order to improve birth outcomes and decrease health problems during pregnancy, infancy, and childhood.

Reimbursement Methodology

Services provided under the Show-Me Healthy Babies Program can be reimbursed individually under the fee-for-service program or through a monthly capitation rate paid to the MO HealthNet Managed Care health plans that contract with the state.

Additional Details

At least annually, an external evaluation will be conducted on the Show-Me Healthy Babies Program, analyzing and projecting the cost savings and benefits, if any, to the state and persons when enrolling unborn children in the Show-Me Healthy Babies Program.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State Statue: RSMO Section 208.662; Federal law: Social Security Act, Title XXI; Federal Regulations: 42 CFR 457.10.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.560

Program Name: Show-Me Healthy Babies

Program is found in the following core budget(s): Show-Me Healthy Babies

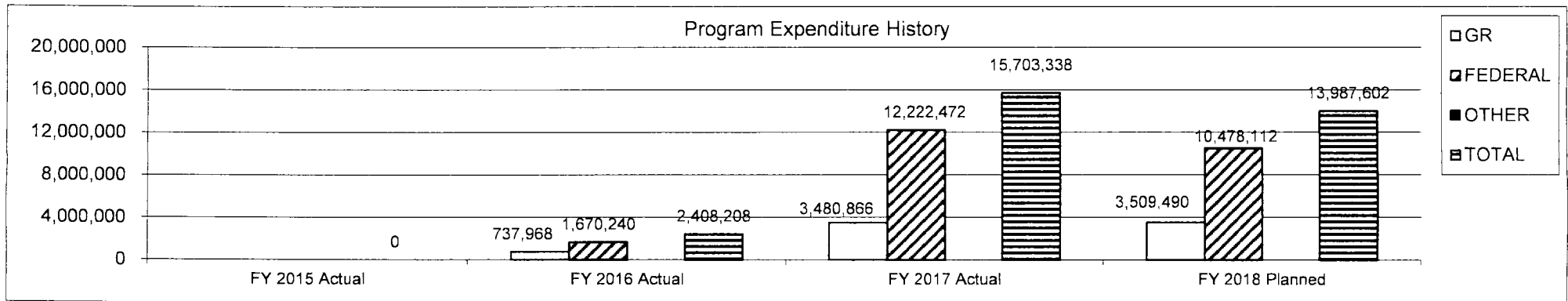
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Missouri's enhanced CHIP FMAP for FY18 is a blended 74.985% federal match. The state matching requirement for the CHIP program is 25.015%.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



New in FY 2016. FY 2018 Planned expenditures are net of reverted and reserve.

6. What are the sources of the "Other" funds?

N/A

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.560

Program Name: Show-Me Healthy Babies

Program is found in the following core budget(s): Show-Me Healthy Babies

7a. Provide an effectiveness measure.

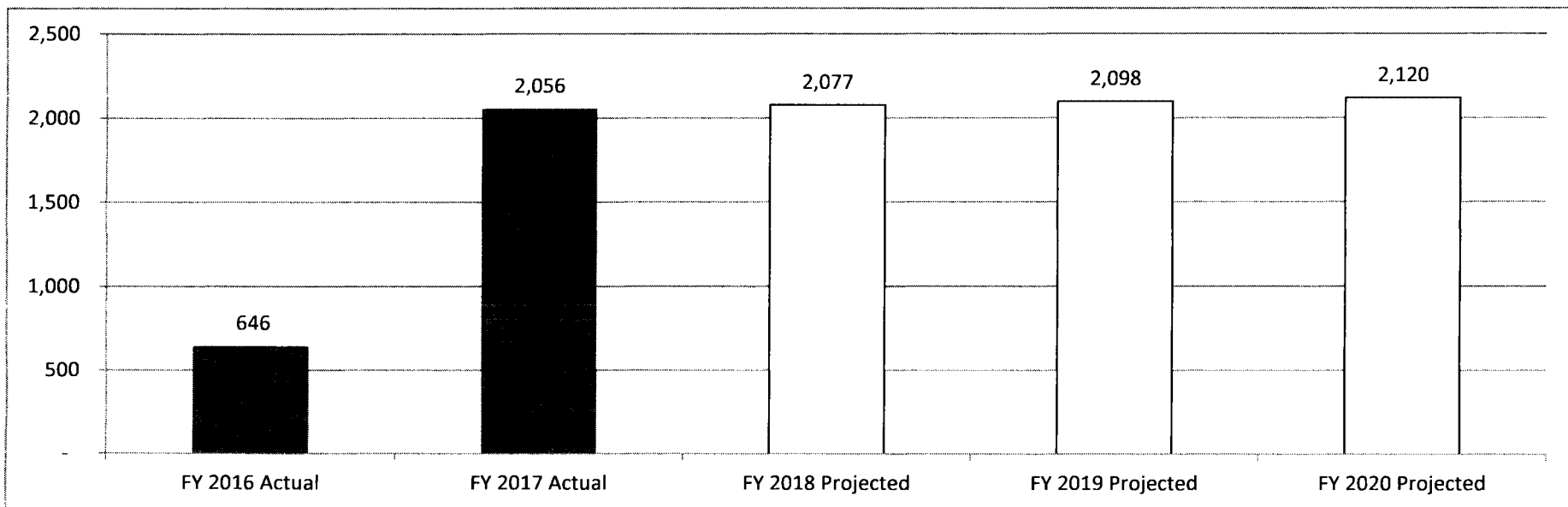
Not enough data at this time.

7b. Provide an efficiency measure.

Not enough data at this time.

7c. Provide the number of clients/individuals served, if applicable.

Show Me Healthy Babies Enrollment



7d. Provide a customer satisfaction measure, if available.

Not enough data at this time.

Nursing Facility FRA

CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: Nursing Facilities Reimbursement Allowance (NFRA) Payments

Budget Unit: 90567C
 HB Section: 11.590

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | |
|------------------------|----|---------|-------------|-------------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | | | 351,448,765 | 351,448,765 | |
| TRF | | | | | |
| Total | | | 351,448,765 | 351,448,765 | |
| FTE | | | | 0.00 | |

| | | | | |
|-------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|-------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Nursing Facility Reimb Allowance Fund (NFRA) (0196)

| FY 2019 Governor's Recommendation | | | | | |
|-----------------------------------|----|---------|-------|-------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | | | | 0 | |
| TRF | | | | | |
| Total | | | 0 | 0 | |
| FTE | | | | 0.00 | |

| | | | | |
|-------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|-------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

This core request is for ongoing funding of payments for nursing facility services provided to MO HealthNet participants. This item funds the portion of the per diem rate paid to nursing facilities that is funded through the Nursing Facility Reimbursement Allowance (NFRA). Funds from this core are used to provide enhanced payment rates for improving the quality of patient care using the NFRA under Title XIX of the Social Security Act as a General Revenue equivalent.

3. PROGRAM LISTING (list programs included in this core funding)

Nursing Facilities Reimbursement Allowance (NFRA) Program

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Nursing Facilities Reimbursement Allowance (NFRA) Payments

Budget Unit: 90567C
HB Section: 11.590

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds) | 325,332,526 | 325,332,526 | 329,042,684 | 351,448,765 |
| Less Reverted (All Funds) | 0 | 0 | 0 | 0 |
| Less Restricted (All Funds) | 0 | 0 | 0 | 0 |
| Budget Authority (All Funds) | 325,332,526 | 325,332,526 | 329,042,684 | 351,448,765 |
| Actual Expenditures (All Funds) | 325,332,526 | 318,920,466 | 326,254,109 | N/A |
| Unexpended (All Funds) | 0 | 6,412,060 | 2,788,575 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 0 | 0 | 0 | N/A |
| Federal | 0 | 0 | 0 | N/A |
| Other | 0 | 6,412,060 | 2,788,575 | N/A |

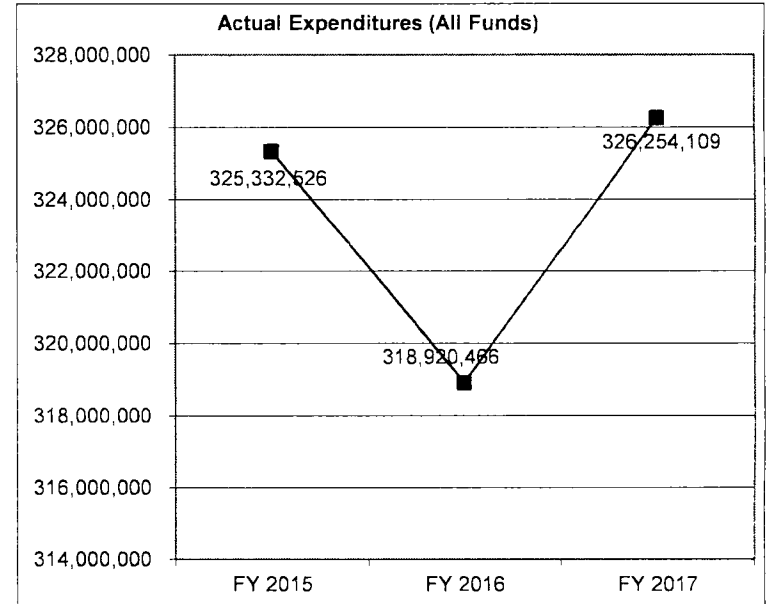
(1)

Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY15 \$13,875,469 in supplemental appropriations.



CORE DECISION ITEM

Department: Social Services
 Division: MO HealthNet
 Core: Nursing Facilities Reimbursement Allowance (NFRA) Payments

Budget Unit: 90567C
 HB Section: 11.590

Cost Per Eligible - Per Member Per Month (PMPM)

| | Nursing Facility PMPM* | Acute Care PMPM | Total PMPM | Nursing Facility Percentage of Acute | Nursing Facility Percentage of Total |
|-------------------|------------------------|-----------------|------------|--------------------------------------|--------------------------------------|
| PTD | \$184.76 | \$1,127.90 | \$2,188.07 | 16.38% | 8.44% |
| Seniors | \$832.67 | \$406.24 | \$1,679.11 | 204.97% | 49.59% |
| Custodial Parents | \$0.57 | \$476.89 | \$515.48 | 0.12% | 0.11% |
| Children* | \$0.01 | \$266.90 | \$297.35 | 0.00% | 0.00% |
| Pregnant Women | \$0.02 | \$899.91 | \$916.46 | 0.00% | 0.00% |

Source: Table 23 Medical Statistics for Fiscal Year 2017 (claims paid data).

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

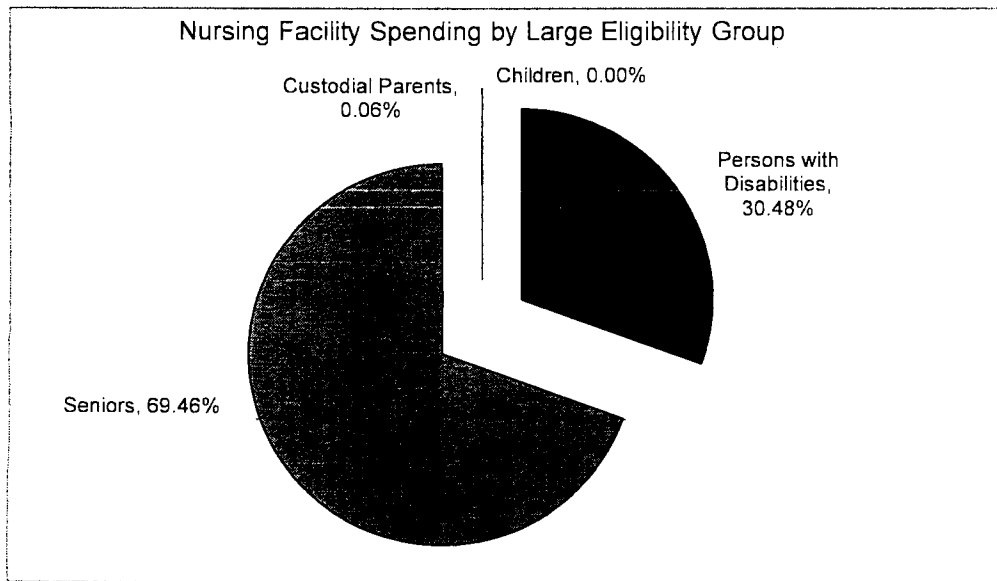
Add-on payments funded from FRA provider tax not included.

* CHIP eligibles not included

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for nursing facilities, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does not include nursing facilities, in-home services, mental health services and state institutions. By comparing the nursing facility PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for nursing facilities. It provides a snapshot of what eligibility groups are receiving nursing facility services as well as the populations impacted by program changes.



Source: Table 23 Medical Statistics for Fiscal Year 2017 (claims paid data).

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
NURSING FACILITY FED REIMB AL**

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-----------------|-------------|----------|----------|--------------------|--------------------|-------------|
| TAFP AFTER VETOES | | | | | | | |
| | PD | 0.00 | 0 | 0 | 351,448,765 | 351,448,765 | |
| | Total | 0.00 | 0 | 0 | 351,448,765 | 351,448,765 | |
| DEPARTMENT CORE REQUEST | | | | | | | |
| | PD | 0.00 | 0 | 0 | 351,448,765 | 351,448,765 | |
| | Total | 0.00 | 0 | 0 | 351,448,765 | 351,448,765 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | PD | 0.00 | 0 | 0 | 351,448,765 | 351,448,765 | |
| | Total | 0.00 | 0 | 0 | 351,448,765 | 351,448,765 | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | | |
|---------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|------------|-------------|--|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** | |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED | |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN | |
| NURSING FACILITY FED REIMB AL | | | | | | | | | |
| CORE | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| NURSING FACILITY FED REIM ALLW | 326,254,109 | 0.00 | 351,448,765 | 0.00 | 351,448,765 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 326,254,109 | 0.00 | 351,448,765 | 0.00 | 351,448,765 | 0.00 | 0 | 0.00 | |
| TOTAL | 326,254,109 | 0.00 | 351,448,765 | 0.00 | 351,448,765 | 0.00 | 0 | 0.00 | |
| MHD COST TO CONTINUE - 1886001 | | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | | |
| NURSING FACILITY FED REIM ALLW | 0 | 0.00 | 0 | 0.00 | 9,506,238 | 0.00 | 0 | 0.00 | |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 9,506,238 | 0.00 | 0 | 0.00 | |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 9,506,238 | 0.00 | 0 | 0.00 | |
| GRAND TOTAL | \$326,254,109 | 0.00 | \$351,448,765 | 0.00 | \$360,955,003 | 0.00 | \$0 | 0.00 | |

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DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|-------------------------------|---------------|---------|---------------|---------|---------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| NURSING FACILITY FED REIMB AL | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM DISTRIBUTIONS | 326,254,109 | 0.00 | 351,448,765 | 0.00 | 351,448,765 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 326,254,109 | 0.00 | 351,448,765 | 0.00 | 351,448,765 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$326,254,109 | 0.00 | \$351,448,765 | 0.00 | \$351,448,765 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| OTHER FUNDS | \$326,254,109 | 0.00 | \$351,448,765 | 0.00 | \$351,448,765 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.590

Program Name: Nursing Facilities Reimbursement Allowance (NFRA) Payments

Program is found in the following core budget(s): Nursing Facilities Reimbursement Allowance (NFRA) Payments

1a. What strategic priority does this program address?

Maintain quality nursing care

1b. What does this program do?

Program Description

The Nursing Facilities Reimbursement Allowance (NFRA) program assesses nursing facilities in the state of Missouri a fee for the privilege of doing business in the state. The assessment is a general revenue equivalent, and when used to make valid Medicaid payments, earns federal Medicaid matching funds. The assessment collected from the nursing facilities and the federal earnings fund the NFRA program. The funds collected by the state are used to provide enhanced payment rates for the nursing facility program.

Program Statistics

In FY17, 520 nursing facilities were assessed and 505 nursing facilities participated in the MO HealthNet program and received enhanced reimbursement. In FY16, the NFRA rate was increased to \$13.40 per patient occupancy day to maintain sufficient funding for the nursing facility per diem reimbursement rate. The NFRA program has been reauthorized through September 30, 2018.

Program Goals

To promote quality of care to Medicaid participants in nursing facilities.

Program Objectives

Provide reasonable reimbursement for nursing facility services to ensure an adequate supply of providers.

To create a safe, sustainable, healthy and cost effective health care environment for the treatment and residential aspects of our Medicaid participants in nursing facilities.

Reimbursement Methodology

In FY 1995, the NFRA program was implemented as part of a total restructuring of reimbursement for nursing facilities and was used to provide enhanced reimbursement rates to nursing facilities that targeted quality patient care. Reimbursement methodologies were changed to reimburse nursing facilities on a cost component basis that allows the MO HealthNet to target particular costs. MHD implemented a methodology that provides for higher reimbursement of patient care costs while limiting administration and capital costs. *For additional details on the cost components, see the program description in the Nursing Facilities tab.*

Rate History

Following are recent nursing facility reimbursement rate increases (per occupancy day) funded with NFRA:

FY16 \$1.29

FY15 \$1.25

FY13 \$6.41

FY10 \$6.15

FY09 \$6.00

FY08 \$9.00

FY07 \$3.17

(FY14-FY17 see Nursing Facilities)

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.590

Program Name: Nursing Facilities Reimbursement Allowance (NFRA) Payments

Program is found in the following core budget(s): Nursing Facilities Reimbursement Allowance (NFRA) Payments

Additional Details

The NFRA is assessed to all nursing facilities on a per patient day basis. The current NFRA rate per day is multiplied by the annualized level of patient days to determine the annual assessment owed by a nursing facility which MHD collects on a monthly basis throughout the year. MHD recalculates the assessment at the beginning of each state fiscal year using updated patient days and an updated NFRA rate, if applicable. The patient days (i.e., the number of days that licensed nursing facility beds are occupied by patients) are updated each state fiscal year using the Quarterly Certification of Need (CON) Survey from the Department of Health and Senior Services for the latest December ending quarter. Following are the recent NFRA rates per patient occupancy day:

FY16-18 \$13.40

FY13-15 \$12.11

FY12 \$11.70

FY11 \$9.27

FY10 \$9.07

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 198.401; Federal law: Social Security Act Section 1903(w); Federal Regulation: 42 CFR 443, Subpart B

3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY18 is a blended 64.260% federal match. The state matching requirement is 35.740%. The nursing facility assessments serve as the general revenue equivalent to earn Medicaid federal reimbursement.

4. Is this a federally mandated program? If yes, please explain.

No.

PROGRAM DESCRIPTION

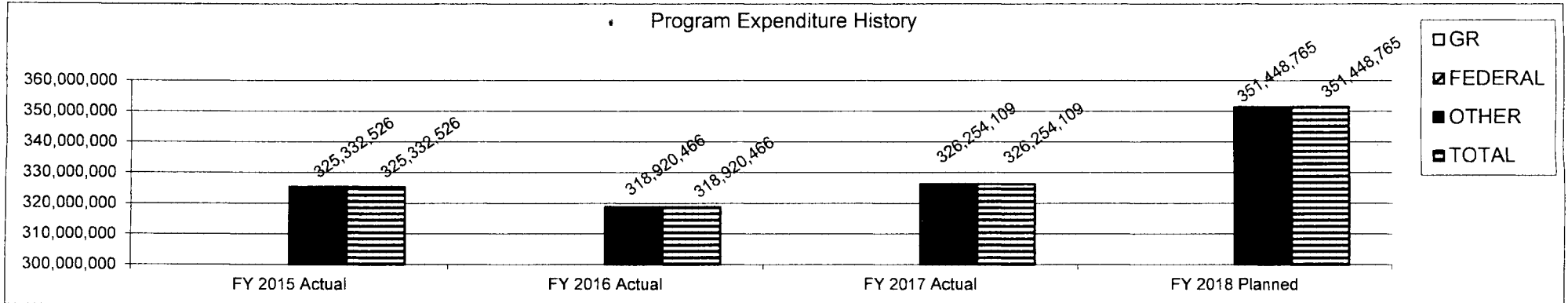
Department: Social Services

HB Section: 11.590

Program Name: Nursing Facilities Reimbursement Allowance (NFRA) Payments

Program is found in the following core budget(s): Nursing Facilities Reimbursement Allowance (NFRA) Payments

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

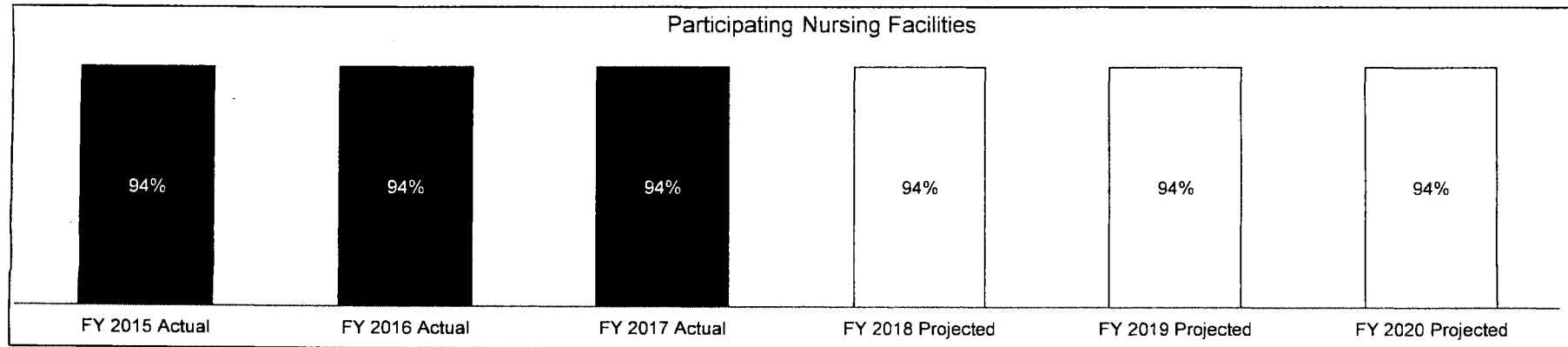


6. What are the sources of the "Other " funds?

Nursing Facility Reimbursement Allowance Fund (0196)

7a. Provide an effectiveness measure.

Provide reimbursement that is sufficient to ensure nursing facilities enroll in the MO HealthNet program. During the past three state fiscal years, over 90% of licensed nursing facilities in the state participated in the MO HealthNet program.



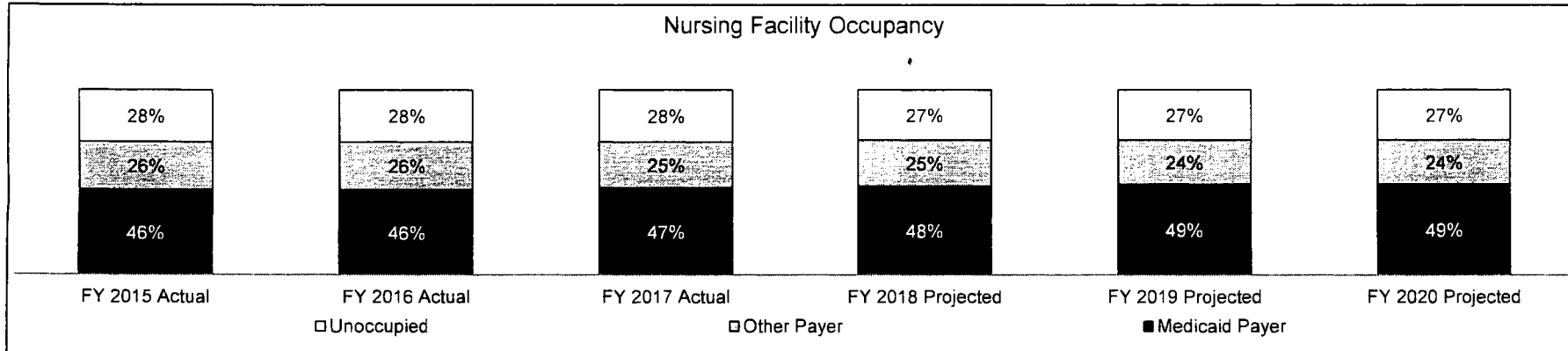
PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.590

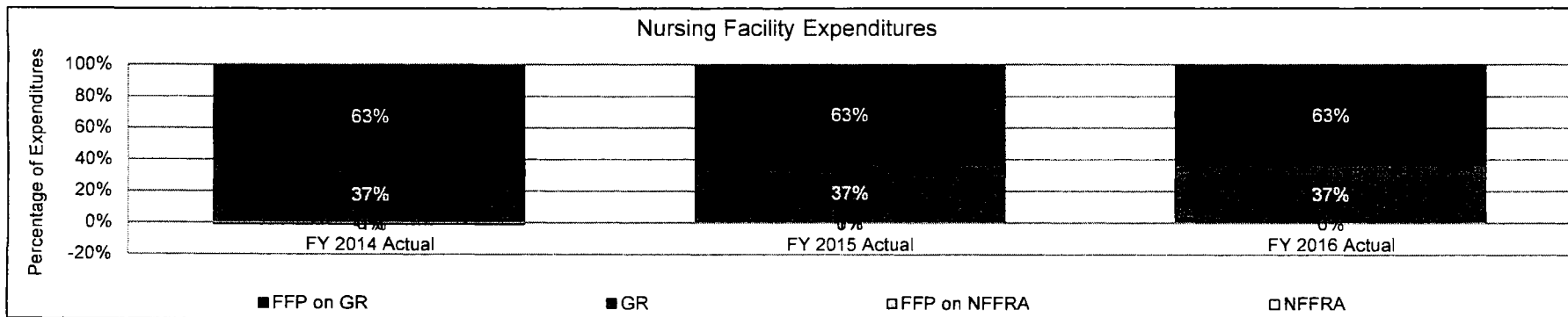
Program Name: Nursing Facilities Reimbursement Allowance (NFRA) Payments

Program is found in the following core budget(s): Nursing Facilities Reimbursement Allowance (NFRA) Payments



7b. Provide an efficiency measure.

Provide funding for the nursing facility program. During the past three state fiscal years, the nursing facility provider tax and the federal matching funds on the assessment provided at least 45% of nursing facility expenditures. NFRA allows the state to provide enhanced reimbursements to nursing facilities minimizing the need for general revenue.



PROGRAM DESCRIPTION

Department: Social Services

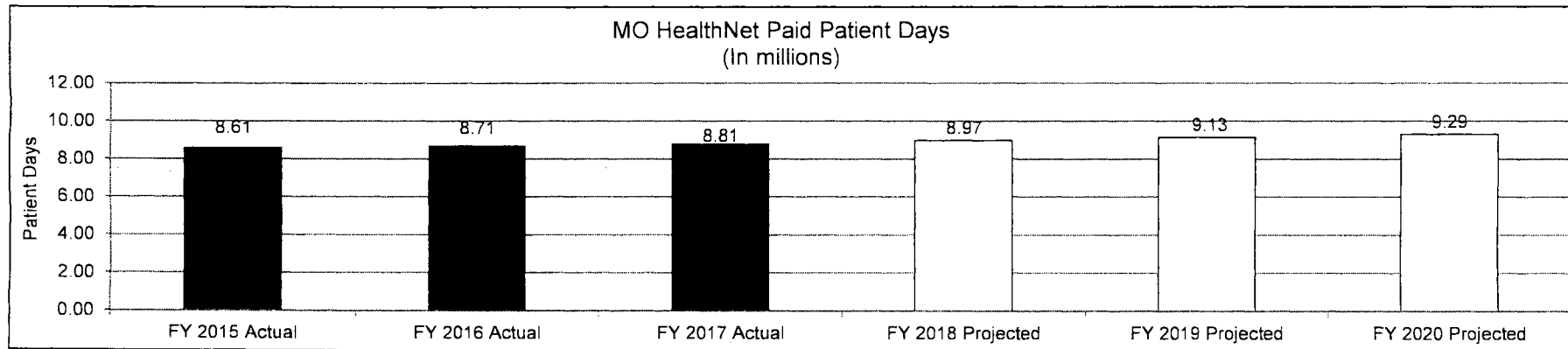
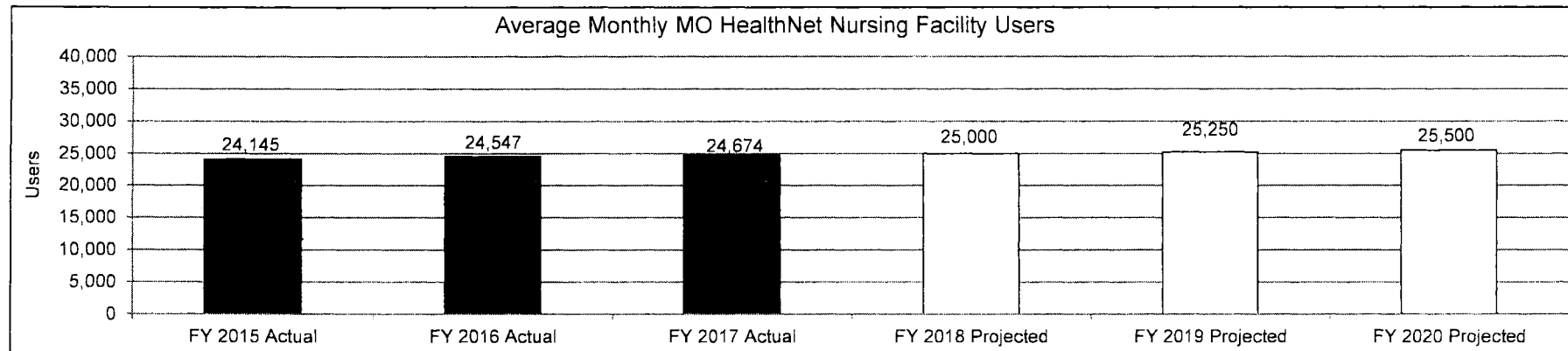
HB Section: 11.590

Program Name: Nursing Facilities Reimbursement Allowance (NFRA) Payments

Program is found in the following core budget(s): Nursing Facilities Reimbursement Allowance (NFRA) Payments

7c. Provide the number of clients/individuals served, if applicable.

Nursing Facility Reimbursement Allowance (NFRA) payments are made on behalf of MO HealthNet eligibles for long-term care services.



7d. Provide a customer satisfaction, if applicable.

N/A

School District Medicaid Claiming

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: School District Medicaid Claiming

Budget Unit: 90569C

HB Section: 11.595

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | |
|------------------------|---------|------------|-------|------------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | 242,525 | 34,653,770 | | 34,896,295 | |
| TRF | | | | | |
| Total | 242,525 | 34,653,770 | | 34,896,295 | |
| FTE | | | | 0.00 | |

| | | | | |
|---------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation. | | | | |

Other Funds: N/A

| FY 2019 Governor's Recommendation | | | | | |
|-----------------------------------|----|---------|-------|-------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | | | | 0 | |
| TRF | | | | | |
| Total | | | | 0 | |
| FTE | | | | 0.00 | |

| | | | | |
|---------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation. | | | | |

Other Funds:

2. CORE DESCRIPTION

This item funds payments for School District Administrative Claiming (SDAC) and Individualized Education Plan (IEP) school-based health services (SBHS).

3. PROGRAM LISTING (list programs included in this core funding)

School-based administrative and school-based EPSDT services.

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: School District Medicaid Claiming

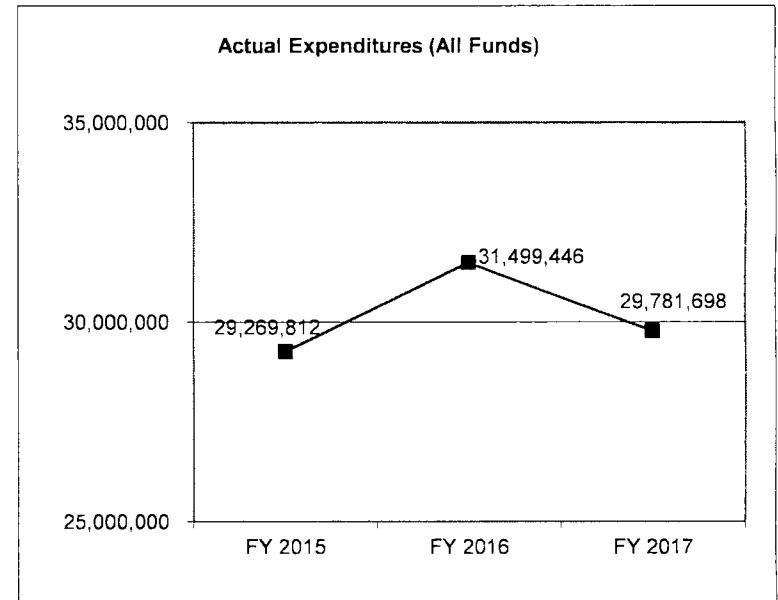
Budget Unit: 90569C

HB Section: 11.595

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|---------------------------|---------------------------|---------------------------|--------------------------------|
| Appropriation (All Funds) | 54,903,770 | 39,896,295 | 34,896,295 | 34,896,295 |
| Less Reverted (All Funds) | 0 | 0 | 0 | N/A |
| Less Restricted (All Funds) | 0 | 0 | 0 | N/A |
| Budget Authority (All Funds) | 54,903,770 | 39,896,295 | 34,896,295 | N/A |
| Actual Expenditures (All Funds) | 29,269,812 | 31,499,446 | 29,781,698 | N/A |
| Unexpended (All Funds) | 25,633,958 | 8,396,849 | 5,114,597 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 156,931 | 91,077 | 53,710 | N/A |
| Federal | 25,477,027 | 8,305,772 | 5,060,887 | N/A |
| Other | 0 | 0 | 0 | N/A |

(1)



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY15 \$180,046 GR supplemental appropriation.

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
SCHOOL DISTRICT CLAIMING**

5. CORE RECONCILIATION DETAIL

| | | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|----------|-----------------|-------------|----------------|-------------------|----------|-------------------|------------------------------------------------------------------------------|
| TAFP AFTER VETOES | | | | | | | | |
| | | PD | 0.00 | 242,525 | 34,653,770 | 0 | 34,896,295 | |
| | | Total | 0.00 | 242,525 | 34,653,770 | 0 | 34,896,295 | |
| DEPARTMENT CORE ADJUSTMENTS | | | | | | | | |
| Core Reallocation | 489 6226 | EE | 0.00 | 0 | 1,125,000 | 0 | 1,125,000 | Core reallocations will more closely align budget with planned expenditures. |
| Core Reallocation | 489 6226 | PD | 0.00 | 0 | (1,125,000) | 0 | (1,125,000) | Core reallocations will more closely align budget with planned expenditures. |
| NET DEPARTMENT CHANGES | | | 0.00 | 0 | 0 | 0 | 0 | |
| DEPARTMENT CORE REQUEST | | | | | | | | |
| | | EE | 0.00 | 0 | 1,125,000 | 0 | 1,125,000 | |
| | | PD | 0.00 | 242,525 | 33,528,770 | 0 | 33,771,295 | |
| | | Total | 0.00 | 242,525 | 34,653,770 | 0 | 34,896,295 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | | |
| | | EE | 0.00 | 0 | 1,125,000 | 0 | 1,125,000 | |
| | | PD | 0.00 | 242,525 | 33,528,770 | 0 | 33,771,295 | |
| | | Total | 0.00 | 242,525 | 34,653,770 | 0 | 34,896,295 | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|-----------------------------|--------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| SCHOOL DISTRICT CLAIMING | | | | | | | | |
| CORE | | | | | | | | |
| EXPENSE & EQUIPMENT | | | | | | | | |
| TITLE XIX-FEDERAL AND OTHER | 1,125,000 | 0.00 | 0 | 0.00 | 1,125,000 | 0.00 | 0 | 0.00 |
| TOTAL - EE | 1,125,000 | 0.00 | 0 | 0.00 | 1,125,000 | 0.00 | 0 | 0.00 |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 188,815 | 0.00 | 242,525 | 0.00 | 242,525 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 28,467,883 | 0.00 | 34,653,770 | 0.00 | 33,528,770 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 28,656,698 | 0.00 | 34,896,295 | 0.00 | 33,771,295 | 0.00 | 0 | 0.00 |
| TOTAL | 29,781,698 | 0.00 | 34,896,295 | 0.00 | 34,896,295 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$29,781,698 | 0.00 | \$34,896,295 | 0.00 | \$34,896,295 | 0.00 | \$0 | 0.00 |

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DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|--------------------------|--------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| SCHOOL DISTRICT CLAIMING | | | | | | | | |
| CORE | | | | | | | | |
| PROFESSIONAL SERVICES | 1,125,000 | 0.00 | 0 | 0.00 | 1,125,000 | 0.00 | 0 | 0.00 |
| TOTAL - EE | 1,125,000 | 0.00 | 0 | 0.00 | 1,125,000 | 0.00 | 0 | 0.00 |
| PROGRAM DISTRIBUTIONS | 28,656,698 | 0.00 | 34,896,295 | 0.00 | 33,771,295 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 28,656,698 | 0.00 | 34,896,295 | 0.00 | 33,771,295 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$29,781,698 | 0.00 | \$34,896,295 | 0.00 | \$34,896,295 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$188,815 | 0.00 | \$242,525 | 0.00 | \$242,525 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$29,592,883 | 0.00 | \$34,653,770 | 0.00 | \$34,653,770 | 0.00 | | 0.00 |
| OTHER FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.595

Program Name: School Districts Medicaid Claiming

Program is found in the following core budget(s): School Districts Medicaid Claiming

1a. What strategic priority does this program address?

Provide healthcare in schools

1b. What does this program do?

Program Description

This item funds payments for 1) School District Administrative Claiming (SDAC) and 2) School-Based Individualized Education Plan (IEP) direct services (hereafter referred to as direct services).

The SDAC program allows Missouri school districts to receive federal reimbursement for Medicaid Administrative activities that support direct services that are offered to children in the school district. In addition, school districts become an "administrative arm" of the MO HealthNet Division through eligibility outreach, coordination and referral for improved health care services for students. These activities include outreach to Medicaid and the Early and Periodic Screening Diagnosis and Treatment (EPSDT) program benefit, also known as the Healthy Children and Youth (HCY) program; referrals made for health services; and coordinating health services for students. An interagency agreement is in place between the MO HealthNet Division and participating school districts for administrative claiming.

Direct services are limited to physical, occupational, and speech therapy services, audiology, personal care, private duty nursing, and behavioral health services identified in an IEP for school age children. For direct services, each school district enrolls with MO HealthNet to provide the most efficient administration of the school-based EPSDT services for children within the school system. The provision of direct services by school districts expands MO HealthNet EPSDT services and is an effective method of coordinating services and improving care. Eligible entities for direct services are public and charter school districts recognized by Department of Elementary and Secondary Education (DESE).

Program Statistics

In FY17 there were 438 schools participating in administrative claiming. In the same fiscal year, 255 participating schools provided direct services to 19,115 students. The most commonly utilized direct services in FY17 were physical, occupational, and speech therapies (85%), followed by private duty nursing and personal care (15%). Behavioral health and audiology services have only been provided minimally through the direct program.

Program Goals

The goal of SDAC is to form a partnership between the Department of Social Services, MO HealthNet Division and individual school districts to share in the responsibility for promoting access to health care for students in the school system, preventing costly or long-term health care problems for at risk students, and coordinating students' health care needs with other providers.

The goal of direct services is to enable Missouri school districts who enroll students with disabilities that are MO HealthNet participants to access MO HealthNet-covered services and receive partial reimbursement for those services that are included as MO HealthNet state plan services.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.595

Program Name: School Districts Medicaid Claiming

Program is found in the following core budget(s): School Districts Medicaid Claiming

Program Objectives

- Assure that all MO HealthNet eligible clients under the age of 21 and their families are informed of the Early and Periodic Screening Diagnosis and Treatment (EPSDT) program benefit, also known as the Healthy Children and Youth (HCY) program, and how to access it.
- Assure that assistance is provided to potentially eligible children and their families in determining their eligibility for participation in the MO HealthNet program.
- Assure early and appropriate intervention and screening so that diagnosis and treatment occur in a timely manner.
- Link MO HealthNet eligible children receiving EPSDT/HCY through service coordination activities to a primary care provider.
- Assure that services are of sufficient amount, duration, and scope to correct or ameliorate the condition for which they were determined to be medically necessary.
- Assure that services are provided by appropriate MO HealthNet enrolled providers for the correction or amelioration of conditions identified through a full, partial, or inter-periodic EPSDT/HCY screen.
- Encourage a healthier lifestyle for children by teaching each of them to become their own case manager.

Reimbursement Methodology

The SDAC program reimburses according to a calculation which includes the staff expense, the federal financial participation rate (i.e. FMAP), the percentage of time spent performing claimable administrative activities, the percentage of MO HealthNet eligible children in the school, and the percent of MO HealthNet enrolled providers the district refers students to for services (provider participation rate). The direct services program reimburses schools for the federal share of the rate listed in the fee schedule.

School districts seeking MO HealthNet reimbursement for eligible services under the SDAC and direct services programs are required to certify actual expenditures incurred through a Certification of Public Expenditures (CPE) methodology. MHD also reimburses participating schools 50% of transportation costs incurred by the school district to transport a student to direct services. MO HealthNet reimburses the federal share of expenditures for administrative services, direct services, and direct services-related transportation provided by school districts through this appropriation.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.595

Program Name: School Districts Medicaid Claiming

Program is found in the following core budget(s): School Districts Medicaid Claiming

Rate History

The rates authorized under the direct services program are identical to the fee-for-service rates paid in Physicians-Related Services, Rehab and Specialty Services, and Department of Health and Senior Services (DHSS) Home and Community Based Services. For specific rate histories of these programs, see their respective tabs in the MO HealthNet and DHSS budget books.

Additional Details

Payments under the SDAC program are also be made on behalf of administrative expenditures for two parochial school districts: Archdiocese of St. Louis and Cristo Rey Kansas City. These schools were "grandfathered" into the program. No additional parochial schools can be added to the program. Under the SDAC program, MO HealthNet funds the state share through general revenue for the two parochial schools.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

42 CFR 441.50 and 441.55-441.60

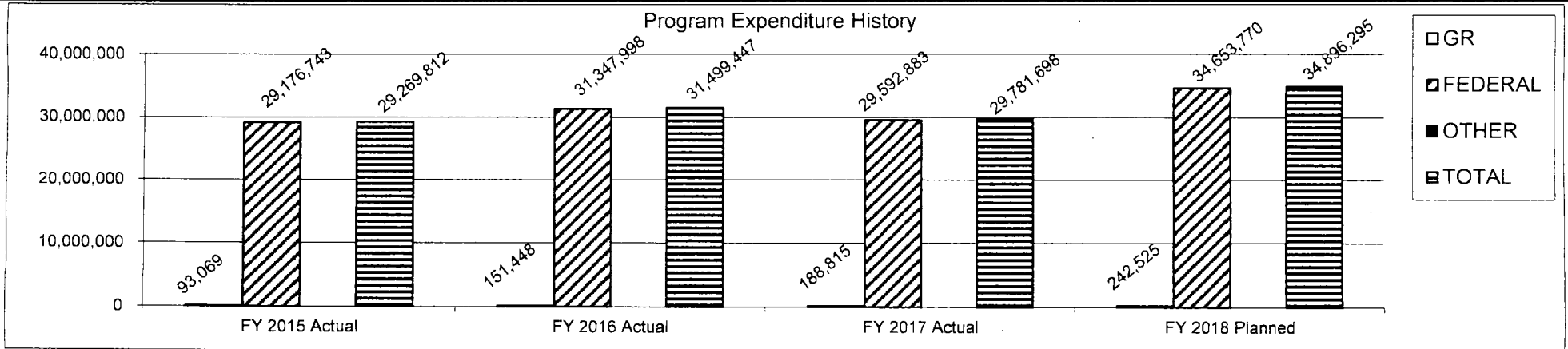
3. Are there federal matching requirements? If yes, please explain.

Medicaid allowable services provided by school districts receive a federal medical assistance percentage (FMAP) on expenditures. Administrative expenditures earn a 50% federal match and the state matching requirement is 50%. Direct services earn Missouri's FMAP. Generally, Missouri's FMAP for FY18 is a blended 64.260% federal match rate. The state matching requirement is 35.740%.

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.595

Program Name: School Districts Medicaid Claiming

Program is found in the following core budget(s): School Districts Medicaid Claiming

6. What are the sources of the "Other " funds?

N/A

7a. Provide an effectiveness measure.

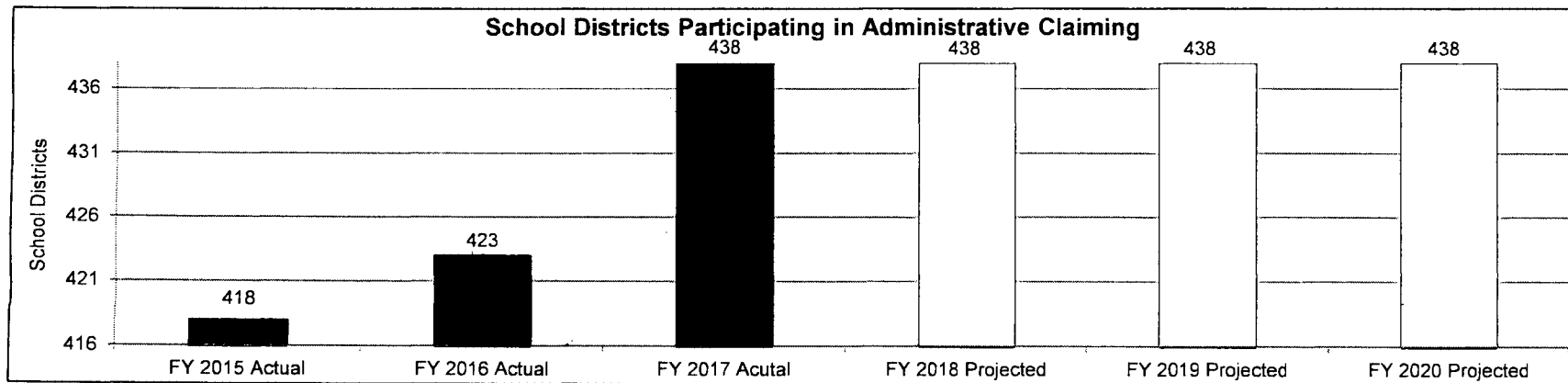
EPSDT Participant Ratio

| * Federal Fiscal Year | Participants Who Should Have Received a Screening | Participants Who Received At Least One Screening | Percent |
|-----------------------|---------------------------------------------------|--------------------------------------------------|---------|
| 2014 Actual | 395,881 | 278,040 | 70% |
| 2015 Actual | 432,703 | 304,370 | 70% |
| 2016 Actual | 457,831 | 310,856 | 68% |
| 2017 Projected | 432,703 | 304,370 | 70% |
| 2018 Projected | 432,703 | 304,370 | 70% |
| 2019 Projected | 432,703 | 304,370 | 70% |

*Based on federal fiscal year in which report was submitted to CMS. FFY17 will be available February, 2018.

Increase the provision of medically necessary services to MO HealthNet eligible children as provided through EPSDT by 42 CFR 441 Subpart B. The EPSDT participant ratio remained the same from FFY 2014 to FFY 2015. The rate for FFY16 is 68%.

Increase the number of schools participating in administrative claiming and direct services. In SFY 2017 there were 438 school districts participating in administrative claiming. In SFY 2017, there were 255 school districts participating in direct services. Any public or charter school district in the state may participate.



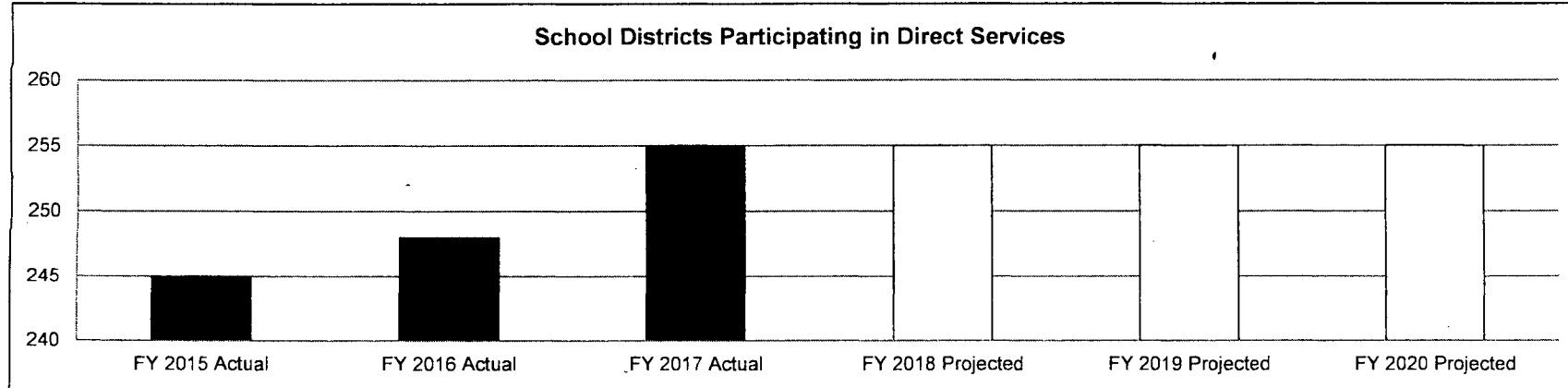
PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.595

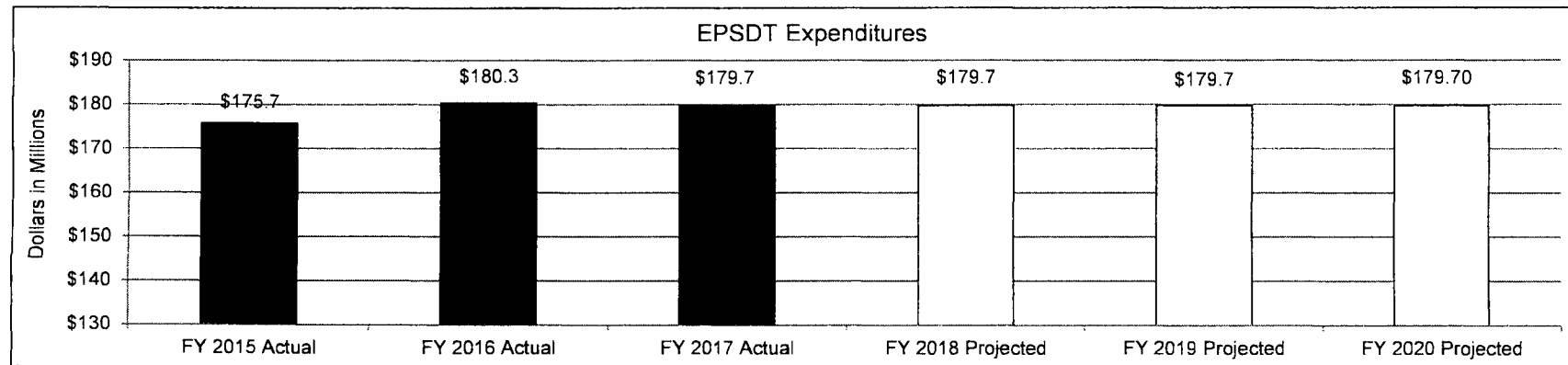
Program Name: School Districts Medicaid Claiming

Program is found in the following core budget(s): School Districts Medicaid Claiming



7b. Provide an efficiency measure.

Increase the EPSDT participant ratio while maximizing federal claiming opportunities to benefit local school districts. In SFY 2017, EPSDT expenditures decreased approximately 0.6% from SFY 2016 while the EPSDT participant ratio remained the same in FFY 2016. SFY17 EPSDT expenditures were \$179.7million.



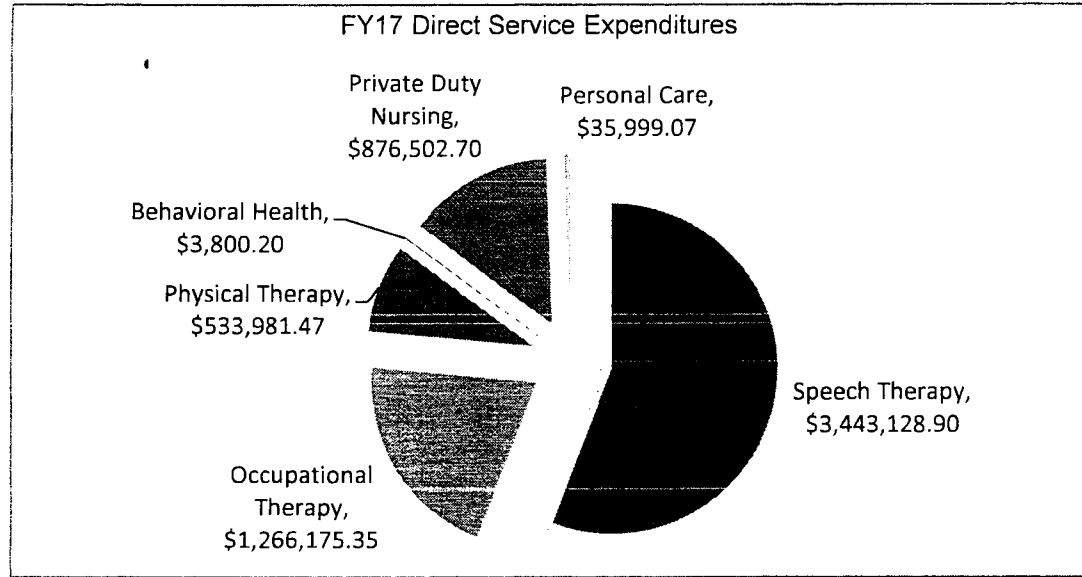
PROGRAM DESCRIPTION

Department: Social Services

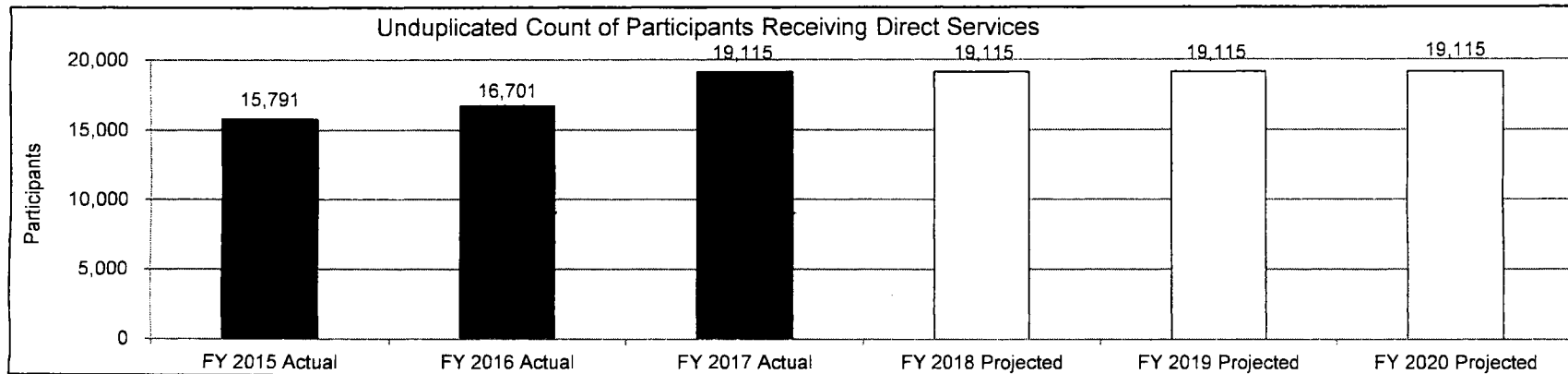
HB Section: 11.595

Program Name: School Districts Medicaid Claiming

Program is found in the following core budget(s): School Districts Medicaid Claiming



7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

Blind Medical

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Blind Pension Medical

Budget Unit: 90573C

HB Section: 11.600

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | | FY 2019 Governor's Recommendation | | | | | |
|------------------------|------------|---------|-------|------------|---|-----------------------------------|----|---------|-------|-------|---|
| | GR | Federal | Other | Total | E | | GR | Federal | Other | Total | E |
| PS | | | | | | PS | | | | | |
| EE | | | | | | EE | | | | | |
| PSD | 26,672,798 | | | 26,672,798 | | PSD | | | | 0 | |
| TRF | | | | | | TRF | | | | | |
| Total | 26,672,798 | | | 26,672,798 | | Total | 0 | | | 0 | |
| FTE | | | | 0.00 | | FTE | | | | 0.00 | |

| | | | | |
|-------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|-------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

| | | | | |
|-------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
|-------------|---|---|---|---|

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A

Other Funds:

2. CORE DESCRIPTION

This item funds a state-only health care benefit for Blind Pension participants who do not qualify for Title XIX Medicaid.

3. PROGRAM LISTING (list programs included in this core funding)

Blind Pension Medical

CORE DECISION ITEM

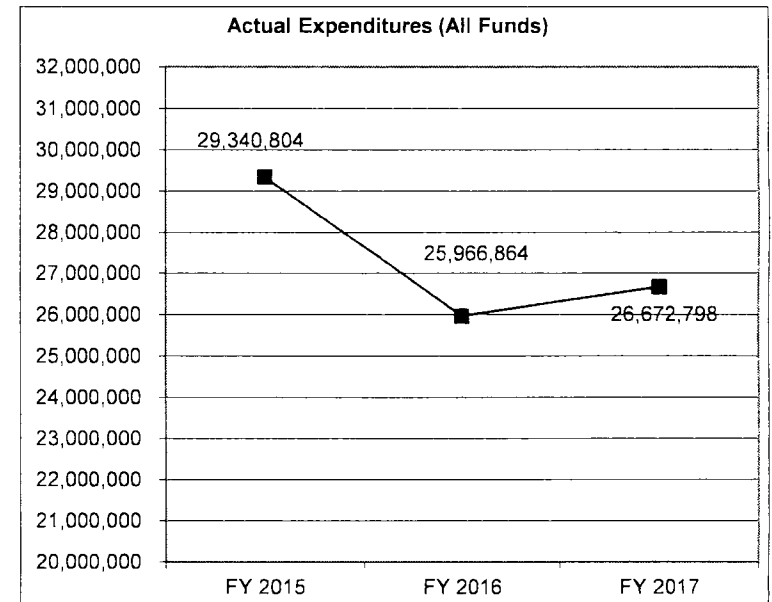
Department: Social Services
Division: MO HealthNet
Core: Blind Pension Medical

Budget Unit: 90573C

HB Section: 11.600

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds) | 36,302,992 | 26,672,798 | 26,672,798 | 26,672,798 |
| Less Reverted (All Funds) | 0 | (705,934) | 0 | (800,184) |
| Less Restricted (All Funds) | | | 0 | 0 |
| Budget Authority (All Funds) | 36,302,992 | 25,966,864 | 26,672,798 | 25,872,614 |
| Actual Expenditures (All Funds) | 29,340,804 | 25,966,864 | 26,672,798 | N/A |
| Unexpended (All Funds) | 6,962,188 | 0 | 0 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 0 | 0 | 0 | N/A |
| Federal | 0 | 0 | 0 | N/A |
| Other | 6,962,188 | 0 | 0 | N/A |
| | (1) | (2) | | |



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY15 This section moved to the Family Service Division.

(2) FY16 This section moved back to the MO HealthNet Division.

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
BLIND PENSION MEDICAL BENEFITS**

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-----------------|-------------|-------------------|----------|----------|-------------------|-------------|
| TAFP AFTER VETOES | | | | | | | |
| | PD | 0.00 | 26,672,798 | 0 | 0 | 26,672,798 | |
| | Total | 0.00 | 26,672,798 | 0 | 0 | 26,672,798 | |
| DEPARTMENT CORE REQUEST | | | | | | | |
| | PD | 0.00 | 26,672,798 | 0 | 0 | 26,672,798 | |
| | Total | 0.00 | 26,672,798 | 0 | 0 | 26,672,798 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | PD | 0.00 | 26,672,798 | 0 | 0 | 26,672,798 | |
| | Total | 0.00 | 26,672,798 | 0 | 0 | 26,672,798 | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|--------------------------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|------------|-------------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| BLIND PENSION MEDICAL BENEFITS | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 25,668,198 | 0.00 | 26,672,798 | 0.00 | 26,672,798 | 0.00 | 0 | 0.00 |
| TITLE XIX-FEDERAL AND OTHER | 1,004,600 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| HEALTH INITIATIVES | 1,567,464 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 28,240,262 | 0.00 | 26,672,798 | 0.00 | 26,672,798 | 0.00 | 0 | 0.00 |
| TOTAL | 28,240,262 | 0.00 | 26,672,798 | 0.00 | 26,672,798 | 0.00 | 0 | 0.00 |
| MHD COST TO CONTINUE - 1886001 | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 208,635 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 208,635 | 0.00 | 0 | 0.00 |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 208,635 | 0.00 | 0 | 0.00 |
| Pharmacy PMPM Inc-Specialty - 1886011 | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 250,493 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 250,493 | 0.00 | 0 | 0.00 |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 250,493 | 0.00 | 0 | 0.00 |
| Pharmacy PMPM Inc-Non Specialty - 1886012 | | | | | | | | |
| PROGRAM-SPECIFIC | | | | | | | | |
| GENERAL REVENUE | 0 | 0.00 | 0 | 0.00 | 29,433 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 0 | 0.00 | 0 | 0.00 | 29,433 | 0.00 | 0 | 0.00 |
| TOTAL | 0 | 0.00 | 0 | 0.00 | 29,433 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$28,240,262 | 0.00 | \$26,672,798 | 0.00 | \$27,161,359 | 0.00 | \$0 | 0.00 |

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FLEXIBILITY REQUEST FORM

| | |
|-----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| BUDGET UNIT NUMBER: 90573C BUDGET UNIT NAME: Blind Pension Medical Benefits HOUSE BILL SECTION: 11.600 | DEPARTMENT: Social Services DIVISION: MO HealthNet |
|-----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

Department Request

| | | |
|---------------|---------------|--------------------|
| Total | % Flex | Flex Amount |
| \$ 27,161,359 | 10% | \$ 2,716,136 |

Not more than ten percent (10%) flexibility is requested between sections 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.505, 11.510, 11.555, 11.560, and 11.600.

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

| PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED | CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED | BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED |
|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|
| None | HB11 language allows up to 10% flexibility between 11.410, 11.435, 11.455, 11.460, 11.465, 11.470, 11.480, 11.490, 11.510, 11.555, and 11.600 | 10% flexibility is being requested for FY19 |

3. Please explain how flexibility was used in the prior and/or current years.

| PRIOR YEAR EXPLAIN ACTUAL USE | CURRENT YEAR EXPLAIN PLANNED USE |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| N/A | Flexibility allows continued service without disrupting or delaying benefits and allows the funding of the Medicaid program. |

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|--------------------------------|--------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| BLIND PENSION MEDICAL BENEFITS | | | | | | | | |
| CORE | | | | | | | | |
| PROGRAM DISTRIBUTIONS | 28,240,262 | 0.00 | 26,672,798 | 0.00 | 26,672,798 | 0.00 | 0 | 0.00 |
| TOTAL - PD | 28,240,262 | 0.00 | 26,672,798 | 0.00 | 26,672,798 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$28,240,262 | 0.00 | \$26,672,798 | 0.00 | \$26,672,798 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$25,668,198 | 0.00 | \$26,672,798 | 0.00 | \$26,672,798 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$1,004,600 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| OTHER FUNDS | \$1,567,464 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.600

Program Name: Blind Pension Medical

Program is found in the following core budget(s): Blind Pension Medical

1a. What strategic priority does this program address?

Improve healthcare for blind participants

1b. What does this program do?

Program Description

The Blind Pension Medical Program provides a state-only funded health care benefit for Blind Pension participants who do not qualify for Title XIX Medicaid. The Blind Pension benefit is provided for in law (ref. Missouri Constitution, Article III, Section 38 (b)) and includes the following eligibility requirements:

- Must be 18 years of age or older;
- Missouri resident;
- United States citizen or eligible non-citizen;
- Has not given away, sold, or transferred real or personal property in order to be eligible for Blind Pension;
- Single, or married and living with spouse, and does not own real or personal property worth more than \$20,000;
- Determined to be totally blind as defined by law (up to 5/200 or visual field of less than 5 degrees);
- Willing to have a medical treatment or an operation to cure their blindness unless they are 75 years or older; and
- Is not a resident of a public, private, or endowed institution except a public medical institution.

Program Statistics

The Blind Pension Medical Program comprises 0.348% of the total MO HealthNet Division expenditures. In FY17, 2,885 individuals received MO HealthNet benefits through the Blind Pension Medical Program.

Program Goals

To provide individuals with a state-only funded health care benefit package to accompany their monthly cash grant.

Program Objectives

- To ensure proper health care for the general health and well-being of MO HealthNet participants.
- To ensure adequate supply of providers.
- To increase preventive services for all MO HealthNet participants.

Reimbursement Methodology

Services provided under the Blind Pension Medical Program are reimbursed individually under the fee-for-service program.

Rate History

See fee-for-service program tabs (physician, dental, rehab, etc.) for relevant rate history.

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.600

Program Name: Blind Pension Medical

Program is found in the following core budget(s): Blind Pension Medical

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.151, 208.152

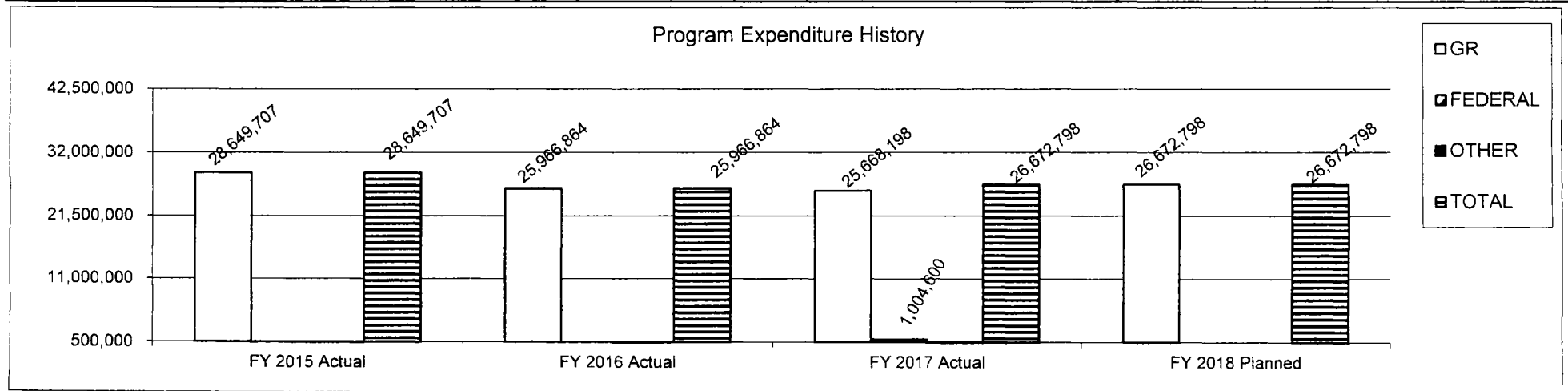
3. Are there federal matching requirements? If yes, please explain.

No

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2017 Planned is net of reverted.

6. What are the sources of the "Other " funds?

PROGRAM DESCRIPTION

Department: Social Services

HB Section: 11.600

Program Name: Blind Pension Medical

Program is found in the following core budget(s): Blind Pension Medical

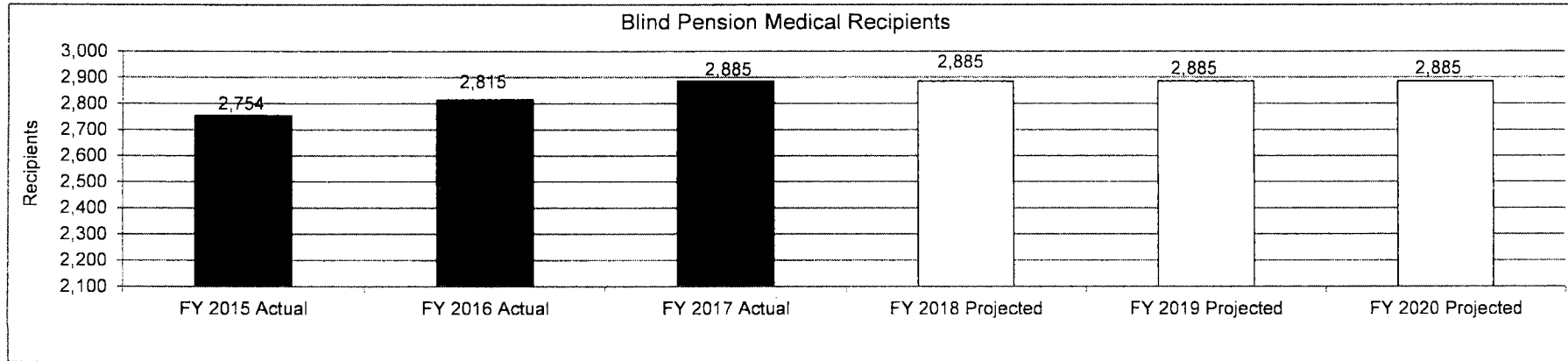
7a. Provide an effectiveness measure.

This appropriation represents a group of eligibles and not just one program. Effectiveness measures are incorporated into fee-for-service program sections.

7b. Provide an efficiency measure.

This appropriation represents a group of eligibles and not just one program. Effectiveness measures are incorporated into fee-for-service program sections.

7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

MHD Non-Count Transfers

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: MHD Non-Count Transfers

Budget Units: 90535C, 90537C, 90581C, 90583C, 90570C, 90840C, 90845C, 90850C, 90855C, 90860C
HB Sections: 11.445, 11.450, 11.495, 11.500, 11.535, 11.565, 11.570, 11.575, 11.580, 11.585, 11.590

1. CORE FINANCIAL SUMMARY

| FY 2019 Budget Request | | | | | |
|------------------------|--------------------|----------|----------------------|----------------------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | | | | | |
| TRF | 817,869,398 | | 1,022,611,546 | 1,840,480,944 | |
| Total | 817,869,398 | 0 | 1,022,611,546 | 1,840,480,944 | |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 | |

| | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| <i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i> | | | | |

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)
Ambulance Service Reimbursement Allowance Fund (0958)
DSS Intergovernmental Transfer Fund (0139)
Federal Reimbursement Allowance Fund (0142)
Nursing Facility Reimbursement Allowance Fund (0196)

| FY 2019 Governor's Recommendation | | | | | |
|-----------------------------------|----------|----------|----------|----------|---|
| | GR | Federal | Other | Total | E |
| PS | | | | | |
| EE | | | | | |
| PSD | | | | | |
| TRF | | | | | |
| Total | 0 | 0 | 0 | 0 | |
| FTE | | | | 0.00 | |

| | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|
| Est. Fringe | 0 | 0 | 0 | 0 |
| <i>Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.</i> | | | | |

Other Funds:

2. CORE DESCRIPTION

This authority provides multiple non-counted transfers between funds. Federal regulation requires states to establish that they have sufficient state dollars available in order to draw down the federal matching dollars. These transfers are used for that purpose.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy Reimbursement Allowance Transfer
Ambulance Service Reimbursement Allowance Transfer
Intergovernmental Transfer
Federal Reimbursement Allowance Transfer
Nursing Facility Reimbursement Allowance Transfer
Nursing Facility Quality of Care Fund Transfer

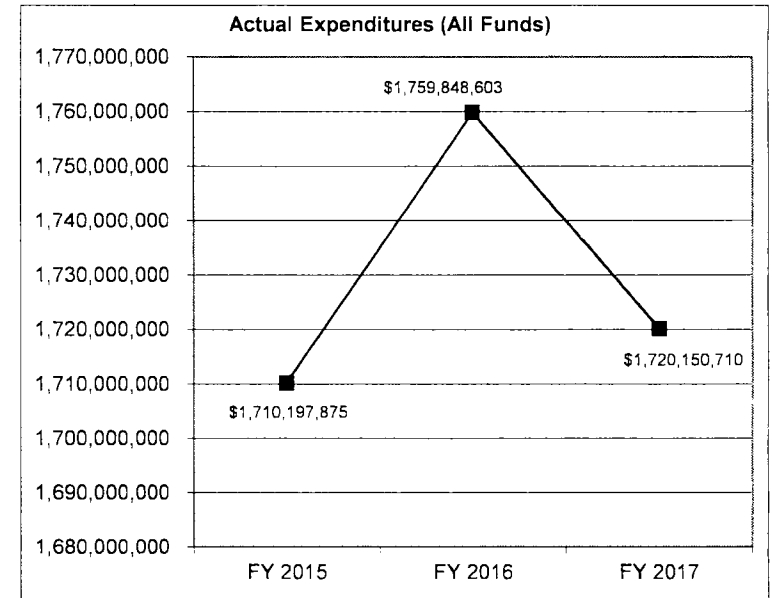
CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: MHD Non-Count Transfers

Budget Units: 90535C, 90537C, 90581C, 90583C, 90570C, 90840C, 90845C, 90850C, 90855C, 90860C
HB Sections: 11.445, 11.450, 11.495, 11.500, 11.535, 11.565, 11.570, 11.575, 11.580, 11.585, 11.590

4. FINANCIAL HISTORY

| | FY 2015 Actual | FY 2016 Actual | FY 2017 Actual | FY 2018 Current Yr. |
|---------------------------------|-------------------|-------------------|-------------------|------------------------|
| Appropriation (All Funds) | 1,808,504,995 | 1,909,439,525 | 1,912,011,951 | 1,946,837,877 |
| Less Reverted (All Funds) | 0 | 0 | 0 | 0 |
| Less Restricted (All Funds) | 0 | 0 | 0 | 0 |
| Budget Authority (All Funds) | 1,808,504,995 | 1,909,439,525 | 1,912,011,951 | 1,946,837,877 |
| Actual Expenditures (All Funds) | 1,710,197,875 | 1,759,848,603 | 1,720,150,710 | N/A |
| Unexpended (All Funds) | 98,307,120 | 149,590,922 | 191,861,241 | N/A |
| Unexpended, by Fund: | | | | |
| General Revenue | 36,514,192 | 62,242,747 | 83,448,479 | N/A |
| Federal | 0 | 0 | 0 | N/A |
| Other | 61,792,928 | 87,348,175 | 108,412,762 | N/A |



Reverted includes statutory reserve amounts (when applicable).

Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
PHARMACY FRA TRANSFER**

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-----------------|-------------|----------|----------|-------------------|-------------------|-------------|
| TAFP AFTER VETOES | | | | | | | |
| | TRF | 0.00 | 0 | 0 | 38,737,111 | 38,737,111 | |
| | Total | 0.00 | 0 | 0 | 38,737,111 | 38,737,111 | |
| DEPARTMENT CORE REQUEST | | | | | | | |
| | TRF | 0.00 | 0 | 0 | 38,737,111 | 38,737,111 | |
| | Total | 0.00 | 0 | 0 | 38,737,111 | 38,737,111 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | TRF | 0.00 | 0 | 0 | 38,737,111 | 38,737,111 | |
| | Total | 0.00 | 0 | 0 | 38,737,111 | 38,737,111 | |

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
GR PHARMACY FRA TRANSFER**

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-------------------------|-------------|-------------------|----------------|--------------|-------------------|--------------------|
| TAFP AFTER VETOES | | | | | | | |
| | TRF | 0.00 | 38,737,111 | 0 | 0 | 38,737,111 | |
| | Total | 0.00 | 38,737,111 | 0 | 0 | 38,737,111 | |
| DEPARTMENT CORE REQUEST | | | | | | | |
| | TRF | 0.00 | 38,737,111 | 0 | 0 | 38,737,111 | |
| | Total | 0.00 | 38,737,111 | 0 | 0 | 38,737,111 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | TRF | 0.00 | 38,737,111 | 0 | 0 | 38,737,111 | |
| | Total | 0.00 | 38,737,111 | 0 | 0 | 38,737,111 | |

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
GR AMBULANCE SRV REIM ALL TRF**

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-------------------------|-------------|-----------|----------------|-------------------|-------------------|--------------------|
| TAFP AFTER VETOES | | | | | | | |
| | TRF | 0.00 | 0 | 0 | 20,837,332 | 20,837,332 | |
| | Total | 0.00 | 0 | 0 | 20,837,332 | 20,837,332 | |
| DEPARTMENT CORE REQUEST | | | | | | | |
| | TRF | 0.00 | 0 | 0 | 20,837,332 | 20,837,332 | |
| | Total | 0.00 | 0 | 0 | 20,837,332 | 20,837,332 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | TRF | 0.00 | 0 | 0 | 20,837,332 | 20,837,332 | |
| | Total | 0.00 | 0 | 0 | 20,837,332 | 20,837,332 | |

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
AMBULANCE SRV REIM ALLOW TRF

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|-----------------------------|-----------------|-------------|-------------------|----------|----------|-------------------|-------------|
| <hr/> | | | | | | | |
| TAFP AFTER VETOES | | | | | | | |
| | TRF | 0.00 | 20,837,332 | 0 | 0 | 20,837,332 | |
| | Total | 0.00 | 20,837,332 | 0 | 0 | 20,837,332 | |
| <hr/> | | | | | | | |
| DEPARTMENT CORE REQUEST | | | | | | | |
| | TRF | 0.00 | 20,837,332 | 0 | 0 | 20,837,332 | |
| | Total | 0.00 | 20,837,332 | 0 | 0 | 20,837,332 | |
| <hr/> | | | | | | | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | TRF | 0.00 | 20,837,332 | 0 | 0 | 20,837,332 | |
| | Total | 0.00 | 20,837,332 | 0 | 0 | 20,837,332 | |
| <hr/> | | | | | | | |

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
IGT EXPEND TRANSFER**

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-------------------------|-------------|-----------|----------------|-------------------|-------------------|--------------------|
| TAFP AFTER VETOES | | | | | | | |
| | TRF | 0.00 | 0 | 0 | 96,885,215 | 96,885,215 | |
| | Total | 0.00 | 0 | 0 | 96,885,215 | 96,885,215 | |
| DEPARTMENT CORE REQUEST | | | | | | | |
| | TRF | 0.00 | 0 | 0 | 96,885,215 | 96,885,215 | |
| | Total | 0.00 | 0 | 0 | 96,885,215 | 96,885,215 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | TRF | 0.00 | 0 | 0 | 96,885,215 | 96,885,215 | |
| | Total | 0.00 | 0 | 0 | 96,885,215 | 96,885,215 | |

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
GR FRA-TRANSFER**

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-----------------|-------------|--------------------|----------|----------|--------------------|-------------|
| TAFP AFTER VETOES | | | | | | | |
| | TRF | 0.00 | 653,701,378 | 0 | 0 | 653,701,378 | |
| | Total | 0.00 | 653,701,378 | 0 | 0 | 653,701,378 | |
| DEPARTMENT CORE REQUEST | | | | | | | |
| | TRF | 0.00 | 653,701,378 | 0 | 0 | 653,701,378 | |
| | Total | 0.00 | 653,701,378 | 0 | 0 | 653,701,378 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | TRF | 0.00 | 653,701,378 | 0 | 0 | 653,701,378 | |
| | Total | 0.00 | 653,701,378 | 0 | 0 | 653,701,378 | |

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
FED REIMBURSE ALLOW-TRANSFER**

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-------------------------|-------------|-----------|----------------|--------------------|--------------------|--------------------|
| TAFP AFTER VETOES | | | | | | | |
| | TRF | 0.00 | 0 | 0 | 653,701,378 | 653,701,378 | |
| | Total | 0.00 | 0 | 0 | 653,701,378 | 653,701,378 | |
| DEPARTMENT CORE REQUEST | | | | | | | |
| | TRF | 0.00 | 0 | 0 | 653,701,378 | 653,701,378 | |
| | Total | 0.00 | 0 | 0 | 653,701,378 | 653,701,378 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | TRF | 0.00 | 0 | 0 | 653,701,378 | 653,701,378 | |
| | Total | 0.00 | 0 | 0 | 653,701,378 | 653,701,378 | |

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
GR NFFRA-TRANSFER

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-------------------------|-------------|--------------------|----------------|--------------|--------------------|--------------------|
| TAFP AFTER VETOES | | | | | | | |
| | TRF | 0.00 | 210,950,510 | 0 | 0 | 210,950,510 | |
| | Total | 0.00 | 210,950,510 | 0 | 0 | 210,950,510 | |
| DEPARTMENT CORE REQUEST | | | | | | | |
| | TRF | 0.00 | 210,950,510 | 0 | 0 | 210,950,510 | |
| | Total | 0.00 | 210,950,510 | 0 | 0 | 210,950,510 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | TRF | 0.00 | 210,950,510 | 0 | 0 | 210,950,510 | |
| | Total | 0.00 | 210,950,510 | 0 | 0 | 210,950,510 | |

CORE RECONCILIATION DETAIL

**DEPARTMENT OF SOCIAL SERVICES
NURSING FACILITY REIM-TRANSFER**

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|------------------------------------|-------------------------|-------------|-----------|----------------|--------------------|--------------------|--------------------|
| TAFP AFTER VETOES | | | | | | | |
| | TRF | 0.00 | 0 | 0 | 210,950,510 | 210,950,510 | |
| | Total | 0.00 | 0 | 0 | 210,950,510 | 210,950,510 | |
| DEPARTMENT CORE REQUEST | | | | | | | |
| | TRF | 0.00 | 0 | 0 | 210,950,510 | 210,950,510 | |
| | Total | 0.00 | 0 | 0 | 210,950,510 | 210,950,510 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | TRF | 0.00 | 0 | 0 | 210,950,510 | 210,950,510 | |
| | Total | 0.00 | 0 | 0 | 210,950,510 | 210,950,510 | |

CORE RECONCILIATION DETAIL

DEPARTMENT OF SOCIAL SERVICES
NURSING FACILITY QLTY-TRANSFER

5. CORE RECONCILIATION DETAIL

| | Budget Class | FTE | GR | Federal | Other | Total | Explanation |
|-----------------------------|-----------------|-------------|----------|----------|------------------|------------------|-------------|
| TAFP AFTER VETOES | | | | | | | |
| | TRF | 0.00 | 0 | 0 | 1,500,000 | 1,500,000 | |
| | Total | 0.00 | 0 | 0 | 1,500,000 | 1,500,000 | |
| DEPARTMENT CORE REQUEST | | | | | | | |
| | TRF | 0.00 | 0 | 0 | 1,500,000 | 1,500,000 | |
| | Total | 0.00 | 0 | 0 | 1,500,000 | 1,500,000 | |
| GOVERNOR'S RECOMMENDED CORE | | | | | | | |
| | TRF | 0.00 | 0 | 0 | 1,500,000 | 1,500,000 | |
| | Total | 0.00 | 0 | 0 | 1,500,000 | 1,500,000 | |

DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|--------------------------------|--------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| <hr/> | | | | | | | | |
| PHARMACY FRA TRANSFER | | | | | | | | |
| CORE | | | | | | | | |
| FUND TRANSFERS | | | | | | | | |
| PHARMACY REIMBURSEMENT ALLOWAN | 35,463,699 | 0.00 | 38,737,111 | 0.00 | 38,737,111 | 0.00 | 0 | 0.00 |
| TOTAL - TRF | 35,463,699 | 0.00 | 38,737,111 | 0.00 | 38,737,111 | 0.00 | 0 | 0.00 |
| TOTAL | 35,463,699 | 0.00 | 38,737,111 | 0.00 | 38,737,111 | 0.00 | 0 | 0.00 |
| <hr/> | | | | | | | | |
| GRAND TOTAL | \$35,463,699 | 0.00 | \$38,737,111 | 0.00 | \$38,737,111 | 0.00 | \$0 | 0.00 |
| <hr/> | | | | | | | | |

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DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|---------------------------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|------------|-------------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| GR PHARMACY FRA TRANSFER | | | | | | | | |
| CORE | | | | | | | | |
| FUND TRANSFERS | | | | | | | | |
| GENERAL REVENUE | 35,463,699 | 0.00 | 38,737,111 | 0.00 | 38,737,111 | 0.00 | 0 | 0.00 |
| TOTAL - TRF | 35,463,699 | 0.00 | 38,737,111 | 0.00 | 38,737,111 | 0.00 | 0 | 0.00 |
| TOTAL | 35,463,699 | 0.00 | 38,737,111 | 0.00 | 38,737,111 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$35,463,699 | 0.00 | \$38,737,111 | 0.00 | \$38,737,111 | 0.00 | \$0 | 0.00 |

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DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|-------------------------------|-------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| GR AMBULANCE SRV REIM ALL TRF | | | | | | | | |
| CORE | | | | | | | | |
| FUND TRANSFERS | | | | | | | | |
| AMBULANCE SERVICE REIMB ALLOW | 7,671,671 | 0.00 | 20,837,332 | 0.00 | 20,837,332 | 0.00 | 0 | 0.00 |
| TOTAL - TRF | 7,671,671 | 0.00 | 20,837,332 | 0.00 | 20,837,332 | 0.00 | 0 | 0.00 |
| TOTAL | 7,671,671 | 0.00 | 20,837,332 | 0.00 | 20,837,332 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$7,671,671 | 0.00 | \$20,837,332 | 0.00 | \$20,837,332 | 0.00 | \$0 | 0.00 |

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DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|------------------------------|-------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| AMBULANCE SRV REIM ALLOW TRF | | | | | | | | |
| CORE | | | | | | | | |
| FUND TRANSFERS | | | | | | | | |
| GENERAL REVENUE | 7,671,671 | 0.00 | 20,837,332 | 0.00 | 20,837,332 | 0.00 | 0 | 0.00 |
| TOTAL - TRF | 7,671,671 | 0.00 | 20,837,332 | 0.00 | 20,837,332 | 0.00 | 0 | 0.00 |
| TOTAL | 7,671,671 | 0.00 | 20,837,332 | 0.00 | 20,837,332 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$7,671,671 | 0.00 | \$20,837,332 | 0.00 | \$20,837,332 | 0.00 | \$0 | 0.00 |

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DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|----------------------------|--------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| <hr/> | | | | | | | | |
| IGT EXPEND TRANSFER | | | | | | | | |
| CORE | | | | | | | | |
| FUND TRANSFERS | | | | | | | | |
| INTERGOVERNMENTAL TRANSFER | 82,911,914 | 0.00 | 96,885,215 | 0.00 | 96,885,215 | 0.00 | 0 | 0.00 |
| TOTAL - TRF | 82,911,914 | 0.00 | 96,885,215 | 0.00 | 96,885,215 | 0.00 | 0 | 0.00 |
| TOTAL | 82,911,914 | 0.00 | 96,885,215 | 0.00 | 96,885,215 | 0.00 | 0 | 0.00 |
| <hr/> | | | | | | | | |
| GRAND TOTAL | \$82,911,914 | 0.00 | \$96,885,215 | 0.00 | \$96,885,215 | 0.00 | \$0 | 0.00 |
| <hr/> | | | | | | | | |

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DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|-----------------------|---------------|---------|---------------|---------|---------------|----------|---------|---------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| GR FRA-TRANSFER | | | | | | | | |
| CORE | | | | | | | | |
| FUND TRANSFERS | | | | | | | | |
| GENERAL REVENUE | 579,680,537 | 0.00 | 653,701,378 | 0.00 | 653,701,378 | 0.00 | 0 | 0.00 |
| TOTAL - TRF | 579,680,537 | 0.00 | 653,701,378 | 0.00 | 653,701,378 | 0.00 | 0 | 0.00 |
| TOTAL | 579,680,537 | 0.00 | 653,701,378 | 0.00 | 653,701,378 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$579,680,537 | 0.00 | \$653,701,378 | 0.00 | \$653,701,378 | 0.00 | \$0 | 0.00 |

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DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|-------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|------------|-------------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| FED REIMBURSE ALLOW-TRANSFER | | | | | | | | |
| CORE | | | | | | | | |
| FUND TRANSFERS | | | | | | | | |
| FEDERAL REIMBURSEMENT ALLOWANCE | 579,680,537 | 0.00 | 653,701,378 | 0.00 | 653,701,378 | 0.00 | 0 | 0.00 |
| TOTAL - TRF | 579,680,537 | 0.00 | 653,701,378 | 0.00 | 653,701,378 | 0.00 | 0 | 0.00 |
| TOTAL | 579,680,537 | 0.00 | 653,701,378 | 0.00 | 653,701,378 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$579,680,537 | 0.00 | \$653,701,378 | 0.00 | \$653,701,378 | 0.00 | \$0 | 0.00 |

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DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|-----------------------|---------------|---------|---------------|---------|---------------|----------|---------|---------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| GR NFFRA-TRANSFER | | | | | | | | |
| CORE | | | | | | | | |
| FUND TRANSFERS | | | | | | | | |
| GENERAL REVENUE | 195,053,491 | 0.00 | 210,950,510 | 0.00 | 210,950,510 | 0.00 | 0 | 0.00 |
| TOTAL - TRF | 195,053,491 | 0.00 | 210,950,510 | 0.00 | 210,950,510 | 0.00 | 0 | 0.00 |
| TOTAL | 195,053,491 | 0.00 | 210,950,510 | 0.00 | 210,950,510 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$195,053,491 | 0.00 | \$210,950,510 | 0.00 | \$210,950,510 | 0.00 | \$0 | 0.00 |

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DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | |
|---------------------------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|------------|-------------|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| NURSING FACILITY REIM-TRANSFER | | | | | | | | |
| CORE | | | | | | | | |
| FUND TRANSFERS | | | | | | | | |
| NURSING FACILITY FED REIM ALLW | 195,053,491 | 0.00 | 210,950,510 | 0.00 | 210,950,510 | 0.00 | 0 | 0.00 |
| TOTAL - TRF | 195,053,491 | 0.00 | 210,950,510 | 0.00 | 210,950,510 | 0.00 | 0 | 0.00 |
| TOTAL | 195,053,491 | 0.00 | 210,950,510 | 0.00 | 210,950,510 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$195,053,491 | 0.00 | \$210,950,510 | 0.00 | \$210,950,510 | 0.00 | \$0 | 0.00 |

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DECISION ITEM SUMMARY

| Budget Unit | | | | | | | | | |
|---------------------------------|-------------|---------|-------------|---------|-------------|----------|---------|---------|--|
| Decision Item | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** | |
| Budget Object Summary | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED | |
| Fund | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN | |
| NURSING FACILITY, QLTY-TRANSFER | | | | | | | | | |
| CORE | | | | | | | | | |
| FUND TRANSFERS | | | | | | | | | |
| NURSING FACILITY FED REIM ALLW | 1,500,000 | 0.00 | 1,500,000 | 0.00 | 1,500,000 | 0.00 | 0 | 0.00 | |
| TOTAL - TRF | 1,500,000 | 0.00 | 1,500,000 | 0.00 | 1,500,000 | 0.00 | 0 | 0.00 | |
| TOTAL | 1,500,000 | 0.00 | 1,500,000 | 0.00 | 1,500,000 | 0.00 | 0 | 0.00 | |
| GRAND TOTAL | \$1,500,000 | 0.00 | \$1,500,000 | 0.00 | \$1,500,000 | 0.00 | \$0 | 0.00 | |

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DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|-----------------------|--------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| PHARMACY FRA TRANSFER | | | | | | | | |
| CORE | | | | | | | | |
| TRANSFERS OUT | 35,463,699 | 0.00 | 38,737,111 | 0.00 | 38,737,111 | 0.00 | 0 | 0.00 |
| TOTAL - TRF | 35,463,699 | 0.00 | 38,737,111 | 0.00 | 38,737,111 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$35,463,699 | 0.00 | \$38,737,111 | 0.00 | \$38,737,111 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| OTHER FUNDS | \$35,463,699 | 0.00 | \$38,737,111 | 0.00 | \$38,737,111 | 0.00 | | 0.00 |

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|--------------------------|--------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| GR PHARMACY FRA TRANSFER | | | | | | | | |
| CORE | | | | | | | | |
| TRANSFERS OUT | 35,463,699 | 0.00 | 38,737,111 | 0.00 | 38,737,111 | 0.00 | 0 | 0.00 |
| TOTAL - TRF | 35,463,699 | 0.00 | 38,737,111 | 0.00 | 38,737,111 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$35,463,699 | 0.00 | \$38,737,111 | 0.00 | \$38,737,111 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$35,463,699 | 0.00 | \$38,737,111 | 0.00 | \$38,737,111 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| OTHER FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|-------------------------------|-------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| GR AMBULANCE SRV REIM ALL TRF | | | | | | | | |
| CORE | | | | | | | | |
| TRANSFERS OUT | 7,671,671 | 0.00 | 20,837,332 | 0.00 | 20,837,332 | 0.00 | 0 | 0.00 |
| TOTAL - TRF | 7,671,671 | 0.00 | 20,837,332 | 0.00 | 20,837,332 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$7,671,671 | 0.00 | \$20,837,332 | 0.00 | \$20,837,332 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| OTHER FUNDS | \$7,671,671 | 0.00 | \$20,837,332 | 0.00 | \$20,837,332 | 0.00 | | 0.00 |

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|------------------------------|-------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| AMBULANCE SRV REIM ALLOW TRF | | | | | | | | |
| CORE | | | | | | | | |
| TRANSFERS OUT | 7,671,671 | 0.00 | 20,837,332 | 0.00 | 20,837,332 | 0.00 | 0 | 0.00 |
| TOTAL - TRF | 7,671,671 | 0.00 | 20,837,332 | 0.00 | 20,837,332 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$7,671,671 | 0.00 | \$20,837,332 | 0.00 | \$20,837,332 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$7,671,671 | 0.00 | \$20,837,332 | 0.00 | \$20,837,332 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| OTHER FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|---------------------|--------------|---------|--------------|---------|--------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| IGT EXPEND TRANSFER | | | | | | | | |
| CORE | | | | | | | | |
| TRANSFERS OUT | 82,911,914 | 0.00 | 96,885,215 | 0.00 | 96,885,215 | 0.00 | 0 | 0.00 |
| TOTAL - TRF | 82,911,914 | 0.00 | 96,885,215 | 0.00 | 96,885,215 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$82,911,914 | 0.00 | \$96,885,215 | 0.00 | \$96,885,215 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| OTHER FUNDS | \$82,911,914 | 0.00 | \$96,885,215 | 0.00 | \$96,885,215 | 0.00 | | 0.00 |

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|---------------------|---------------|---------|---------------|---------|---------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| GR FRA-TRANSFER | | | | | | | | |
| CORE | | | | | | | | |
| TRANSFERS OUT | 579,680,537 | 0.00 | 653,701,378 | 0.00 | 653,701,378 | 0.00 | 0 | 0.00 |
| TOTAL - TRF | 579,680,537 | 0.00 | 653,701,378 | 0.00 | 653,701,378 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$579,680,537 | 0.00 | \$653,701,378 | 0.00 | \$653,701,378 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$579,680,537 | 0.00 | \$653,701,378 | 0.00 | \$653,701,378 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| OTHER FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|------------------------------|---------------|---------|---------------|---------|---------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| FED REIMBURSE ALLOW-TRANSFER | | | | | | | | |
| CORE | | | | | | | | |
| TRANSFERS OUT | 579,680,537 | 0.00 | 653,701,378 | 0.00 | 653,701,378 | 0.00 | 0 | 0.00 |
| TOTAL - TRF | 579,680,537 | 0.00 | 653,701,378 | 0.00 | 653,701,378 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$579,680,537 | 0.00 | \$653,701,378 | 0.00 | \$653,701,378 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| OTHER FUNDS | \$579,680,537 | 0.00 | \$653,701,378 | 0.00 | \$653,701,378 | 0.00 | | 0.00 |

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|---------------------|---------------|---------|---------------|---------|---------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| GR NFFRA-TRANSFER | | | | | | | | |
| CORE | | | | | | | | |
| TRANSFERS OUT | 195,053,491 | 0.00 | 210,950,510 | 0.00 | 210,950,510 | 0.00 | 0 | 0.00 |
| TOTAL - TRF | 195,053,491 | 0.00 | 210,950,510 | 0.00 | 210,950,510 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$195,053,491 | 0.00 | \$210,950,510 | 0.00 | \$210,950,510 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$195,053,491 | 0.00 | \$210,950,510 | 0.00 | \$210,950,510 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| OTHER FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|--------------------------------|---------------|---------|---------------|---------|---------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| NURSING FACILITY REIM-TRANSFER | | | | | | | | |
| CORE | | | | | | | | |
| TRANSFERS OUT | 195,053,491 | 0.00 | 210,950,510 | 0.00 | 210,950,510 | 0.00 | 0 | 0.00 |
| TOTAL - TRF | 195,053,491 | 0.00 | 210,950,510 | 0.00 | 210,950,510 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$195,053,491 | 0.00 | \$210,950,510 | 0.00 | \$210,950,510 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| OTHER FUNDS | \$195,053,491 | 0.00 | \$210,950,510 | 0.00 | \$210,950,510 | 0.00 | | 0.00 |

DECISION ITEM DETAIL

| Budget Unit | FY 2017 | FY 2017 | FY 2018 | FY 2018 | FY 2019 | FY 2019 | ***** | ***** |
|--------------------------------|-------------|---------|-------------|---------|-------------|----------|---------|---------|
| Decision Item | ACTUAL | ACTUAL | BUDGET | BUDGET | DEPT REQ | DEPT REQ | SECURED | SECURED |
| Budget Object Class | DOLLAR | FTE | DOLLAR | FTE | DOLLAR | FTE | COLUMN | COLUMN |
| NURSING FACILITY QLTY-TRANSFER | | | | | | | | |
| CORE | | | | | | | | |
| TRANSFERS OUT | 1,500,000 | 0.00 | 1,500,000 | 0.00 | 1,500,000 | 0.00 | 0 | 0.00 |
| TOTAL - TRF | 1,500,000 | 0.00 | 1,500,000 | 0.00 | 1,500,000 | 0.00 | 0 | 0.00 |
| GRAND TOTAL | \$1,500,000 | 0.00 | \$1,500,000 | 0.00 | \$1,500,000 | 0.00 | \$0 | 0.00 |
| GENERAL REVENUE | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| FEDERAL FUNDS | \$0 | 0.00 | \$0 | 0.00 | \$0 | 0.00 | | 0.00 |
| OTHER FUNDS | \$1,500,000 | 0.00 | \$1,500,000 | 0.00 | \$1,500,000 | 0.00 | | 0.00 |

PROGRAM DESCRIPTION

Department: Social Services
Program Name: MHD Non-Count Transfers
Program is found in the following core budget(s): multiple HB sections

HB Section: 11.445, 11.450, 11.495, 11.500, 11.535, 11.565,
11.570, 11.575, 11.580, 11.585, 11.590

1a. What strategic priority does this program address?

Leverage funding with federal participation

1b. What does this program do?

Reimbursement Allowance Transfers

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to receive federal Medicaid matching funds. The following transfers are used as accounting mechanisms to meet this requirement:

Pharmacy Reimbursement Allowance Transfer

Ambulance Service Reimbursement Allowance Transfer

Federal Reimbursement Allowance Transfer

Nursing Facility Reimbursement Allowance Transfer

NOTE: The provider assessment programs listed above have been reauthorized by the General Assembly through September 30, 2018.

Intergovernmental Transfer

State and local governmental units (including public providers) are authorized to transfer to the state Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal Medicaid matching funds. These transfers are called intergovernmental transfers (IGTs) and maximize eligible state resources for federal Medicaid funds, utilizing current state and local funding sources as match for services.

Nursing Facility Quality of Care Fund Transfer

In accordance with section 198.418.1, RSMo, funding is transferred from the Nursing Facility Federal Reimbursement Allowance Fund to the Nursing Facility Quality of Care Fund to be used by the Department of Health and Senior Services (upon appropriation) for conducting inspections and surveys and providing training and technical assistance to facilities licensed under the provisions of Chapter 198.

Program Goals

Reimbursement allowance transfers and intergovernmental transfers supplement state funding in support of the MO HealthNet program through the use of federally-approved accounting mechanisms.

Program Objectives

To maximize eligible costs for federal Medicaid funds.

Reimbursement Methodology

These transfers only represent an accounting mechanism to fund providers serving MO HealthNet participants through the fee-for-service and MO HealthNet Managed Care programs.

Rate History

This program does not utilize a rate reimbursement methodology.

PROGRAM DESCRIPTION

Department: Social Services
Program Name: MHD Non-Count Transfers
Program is found in the following core budget(s): multiple HB sections

HB Section: 11.445, 11.450, 11.495, 11.500, 11.535, 11.565,
 11.570, 11.575, 11.580, 11.585, 11.590

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 198.418.1, 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

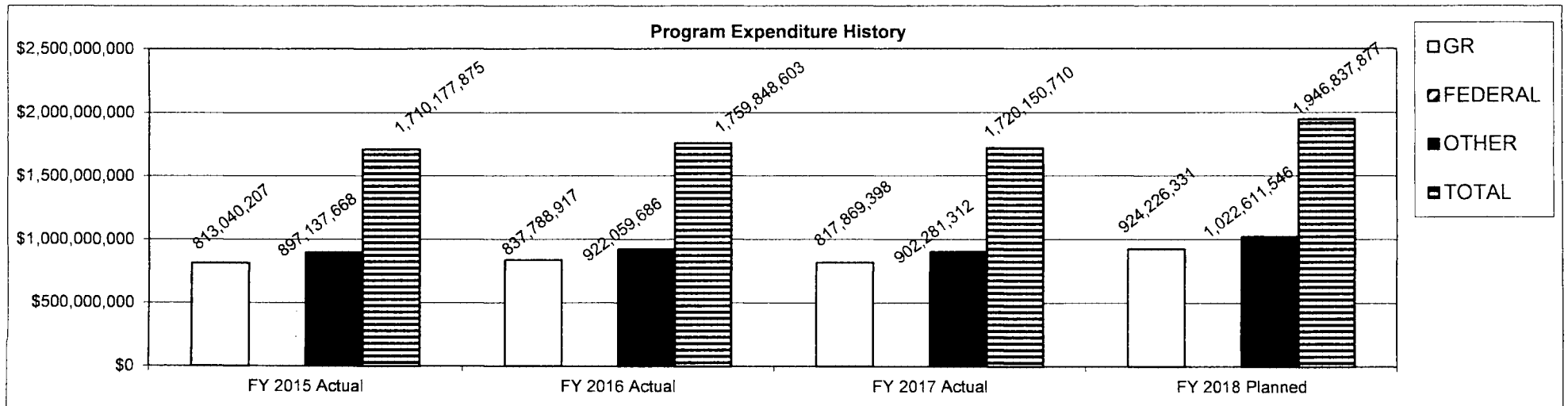
3. Are there federal matching requirements? If yes, please explain.

No

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



PROGRAM DESCRIPTION

Department: Social Services

Program Name: MHD Non-Count Transfers

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HB Section: 11.445, 11.450, 11.495, 11.500, 11.535, 11.565,
11.570, 11.575, 11.580, 11.585, 11.590

6. What are the sources of the "Other " funds?

Pharmacy Reimbursement Allowance Fund (0144)
Ambulance Service Reimbursement Allowance Fund (0958)
DSS Intergovernmental Transfer Fund (0139)
Federal Reimbursement Allowance Fund (0142)
Nursing Facility Reimbursement Allowance Fund (0196)

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A